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PARIS, FRIDAY, APRIL 23, 1993

Clinton Paying a Price As Washington Rookie

Senate Rebuff of His Stimulus Package And the Waco Fiasco Are Hard Lessons

By Ann Devroy
Washington Post Service
WASHINGTON — Standing in the Rose Garden for a ceremony honoring collegiate hockey champions, President Bill Clinton ruefully joked, "After spending three months getting banged around in this town, I can understand a little more about hockey than I did." As it turned out, Mr. Clinton would get two more hard lessons in presidential battering before the week was half over.

Within hours of those remarks Monday, the federal siege of the Waco complex went up in flames and the president and his top aides would find themselves on defense. The president first kept out of sight and was accused of distancing himself from a fiasco, and then had to counteract the impression that he was not taking responsibility for the government's actions.



IN REMEMBRANCE — President Bill Clinton and his wife, Hillary, at the dedication ceremony Thursday for the U.S. Holocaust Memorial Museum in Washington. They were joined by, from left, Representative Thomas S. Foley of Washington, President Chaim Herzog of Israel, and Mrs. Herzog. Mr. Clinton pledged to fight against racist "bullies" and "the fabricators of history." Page 3.

Bundesbank Aids Europe With Rate Reductions

Unexpected Cuts Come Amid Ominous Signs For German Economy

By Craig R. Whitney
New York Times Service
BONN — Answering calls from France and elsewhere in Europe to stimulate the sagging Continental economy, the Bundesbank surprised financial markets by lowering two key interest rates Thursday amid signs that Germany's recession had dramatically worsened.

After Prime Minister Edouard Balladur of France completed his first visit to Chancellor Helmut Kohl and said he hoped the Bundesbank would offer rate cuts, the German central bank announced its action.

The Jobs Bill Debacle: So Little Money, So Much Embarrassment

By Gwen Ifill
New York Times Service
WASHINGTON — As Democrats have been forced to negotiate away almost all of President Bill Clinton's package to stimulate the economy, a vexing question has emerged: How did such a small economic initiative turn into such a large political embarrassment?

assaults by Republicans, who surprised even themselves by finding unity. Mr. Clinton was not even able to salvage a face-saving compromise.

43 in the Senate, failed for the fourth time to break the filibuster. Under Senate rules, it takes 60 votes to end debate.

Once the administration became entangled in the fight for the plan, which they insistently called a jobs bill, they left themselves no room to retreat.

stimulus package," said Senator Dole, who has missed no opportunity to criticize it since those early days.



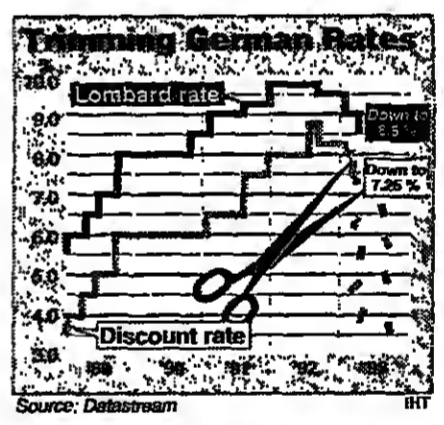
Amato Resigns, Calling For Break With the Past

ROME — Prime Minister Giuliano Amato resigned Thursday, saying it was the logical step after a referendum in which Italians voted overwhelmingly to reform the political system.

outside politics and perhaps headed by a neutral figure. Mr. Amato, who saw five of his ministers ruid by the scandal, called for cleaner government and a complete break with the past.

Major Launches Drive to Shape 'New Europe'

LONDON — After years of being dragged reluctantly toward closer cooperation with the rest of Europe, the British government cast itself Thursday as the architect of an evolving European Community, with an enlarged membership and a determined commitment to free trade.



Bosnian Serbs Angry at Condemnation, but Also Unrepentant

By John Darnton
New York Times Service
BRATUNAC, Bosnia-Herzegovina — Nenad Dzeronjic stared down at the grave of his 5-year-old nephew, next to the grave of his brother, then looked across the pine-covered mountains whose ravines are dotted with devastated towns.

police and a Bosnian Serb. "The whole world is moved by the suffering in Srebrenica and not by our suffering."

former Yugoslav republic, the Bosnian Serbs are well aware that they have been condemned by much of the world. International opinion is outraged by the shelling of helpless Muslim civilians in Srebrenica and other towns, "ethnic cleansing," house-by-house evictions and the rape of thousands of women.

pentant. Nor do they seem to be cowed by the international threat to tighten trade sanctions against neighboring Yugoslavia, though they are dependent on Serbia for everything from food to ammunition.

The Princess and the Pearl: True Culture in Japan

By David E. Sanger
New York Times Service
AGO BAY, Japan — Kokichi Mikimoto always viewed the oyster as his world, and he did most of his viewing from his simple wooden house high above Ago Bay's choppy waters.

mollusks. It is all, they say, part of the search for the perfect pearl. But a few things remain the same. The oysters still take two years to turn out the pearls. And, even today, nothing rocks the pearl rafts like news of a royal wedding.

Island, just up the coastline from the laboratories, to marvel at the site of Mikimoto's discovery. There, etched in stone at Mr. Mikimoto's order, is the verse written by Empress Teimei — the current Crown Prince's great-grandmother — when Mikimoto pearls were first strung around the royal neck:

Analysts said that Italian political parties were far apart over the choice of a successor to Mr. Amato. Among those mentioned was

Yeltsin Ally Accused of Corruption

Three days before a referendum on President Boris N. Yeltsin's performance, the Russian prosecutor-general's office accused Mr. Yeltsin's defense minister, Pavel S. Grachev, of involvement in illegal sales of military property in the former East Germany.

Kiosk

Backward domino theory worries Beijing. Page 2. Seoul said Washington was seeking talks with North Korea. Page 2. The FBI wrongly assumed that Kresh wanted to live to tell his story. Page 3. Seven Muslim extremists were condemned by an Egyptian court. Page 8. Restaurants in Paris feel the recession. Patricia Wells reports. Page 13. Sweden plans fresh cuts in public spending. Page 19. CITY Pacific tripled its 1992 profit. Page 21. Bridge Page 12.

Dow Jones	Down 10.27
Trib Index	Down 0.07%
The Dollar	New York, Thurs. close previous close
DM	1.5865 1.5998
Pound	1.557 1.54
Yen	109.90 110.625
FF	6.89 5.402

FIRST 100 DAYS / 'EVIL MUST BE CONTESTED'

★ POLITICAL NOTES ★

Congress to Decide on Striker Replacements

WASHINGTON — A battle over legislation to ban replacements...

The fight, which will be unfolding in Congress over the next...

The bill, which would bar employers from permanently replacing...

For labor, the legislation represents more than an end to striker...

In recent months, President Bill Clinton has indicated a willingness...

Although the use of striker replacements has been legal since the...

The number of major strikes involving more than 1,000 workers...

Clinton's Rating Falls, Mainly Over Economy

NEW YORK — A national poll released Wednesday pegged...

The NBC News-Wall Street Journal Poll of 1,004 adults was taken...

Disapproval of his overall job performance rose to 34 percent...

Quote/Unquote

General Merrill A. McPeak, the air force chief of staff, following...

Away From Politics

- The FBI has arrested 14 Florida suspects with close ties to Italian...

Clinton, at Holocaust Museum, Vows to Fight Racism

By Paul F. Horvitz

WASHINGTON — President Bill Clinton vowed Thursday...

"Ethnic cleansing in the former Yugoslavia," he said, "is but the most brutal...

Evil, the president said, must be contested. He added, "We must stop...

"I believe that in life you have to show good example," she continued...

"The assembly heard Mr. Clinton declare his allegiance to 'the ceaseless struggle...

FBI's Flawed Belief: Koresh Wanted to Live to Tell His Story

By Sam Howe Verhovek

WACO, Texas — In the last week and a half of David Koresh's...

Even after Mr. Koresh died in the fire, FBI officials here seemed...

And Mr. Miron said that Mr. Koresh had become so deflationary...

But they also defended the decision to proceed with the second...

Government officials acknowledged that that interpretation was...

And while it was ultimately the most important misreading of the...

It may well be that nobody could ever have really got through to...

Nonetheless, a calculation central to the decision to proceed with...

During weeks of analysis of the cult leader, a team of experts...

That FBI snipers outside the compound saw at least two cult members...

Heat-detecting equipment in an FBI helicopter above the compound...

But Jack Zimmermann, a lawyer who said he spoke Wednesday with...

"One person heard someone screaming from the area where the tank...

The nine who escaped left through doors or jumped out first and...

Cult Survivors Assert FBI Tank Started Fire

WACO, Texas — Six survivors of the fire at the Branch Davidians...

One survivor said through his lawyer that the scores of people...

Those people didn't have the ability to find their way out, they...

In Washington, Attorney General Janet Reno said Thursday she...

We're going to try to consult with the best experts," Ms. Reno...

David Koresh, the cult leader, and 85 followers, including 17 children...

The FBI said members started the fire in three places after...

The Justice Department said that FBI snipers outside the compound...

smile You get many smiles at the Palace. PALACE HOTEL Gstaad Switzerland

THE WORLD'S FINEST TRADITIONAL MOTOR YACHT The M/Y Massarah (formerly Ultima II) at 257' (78.65m) is one of the largest private yachts in the world.

which Mr. Koresh had apparently brushed away from an imminent...

In fact, they had concluded that one thing Mr. Koresh did not wish...

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Table with columns for countries and phone numbers for reaching around the world via MCI Card.

Russian Prosecutor Accuses Yeltsin Ally of Corruption

By Steven Erlanger
New York Times Service

MOSCOW — In an extraordinary announcement Thursday, three days before a referendum on President Boris N. Yeltsin's performance as president, the Russian prosecutor-general's office accused Mr. Yeltsin's defense minister, Pavel S. Grachev, of involvement in the illegal sale of military property in the former East Germany.

Allegations of governmental corruption have been the centerpiece of the bitter anti-Yeltsin campaign before the referendum on Sunday, which will offer Russians a chance to support Mr. Yeltsin and his vision of economic reforms or to repudiate them.

The allegations have been expressed most forcefully by Vice President Alexander V. Rutskoi, who has broken with Mr. Yeltsin and stated his intention to run for president in any new elections. Mr. Rutskoi, 45, has become the main spokesman for the opposition.

Last Friday, Mr. Rutskoi delivered a rambling speech to the Supreme Soviet accusing various officials of corruption, which they have denied. He concentrated in particular on allegations of the illegal sale of military property belonging to Soviet troops withdrawing from East Germany, suggesting an official cover-up of the investigation, and promised to hand over his evidence to the prosecutor-general, Valentin G. Stepankov.

Mr. Stepankov, who himself has been increasingly critical of Mr. Yeltsin, acted quickly in what Yeltsin officials were quick to call a political manipulation of the law.

In a statement issued late Thursday afternoon to the Itar-Tass news agency, the prosecutor-general's office said it had "discovered new facts of abuse of official

position" by commanders of former Soviet troops in East Germany, known as the Western Group of Forces, and by officials in the Defense Ministry, including General Grachev.

General Grachev, who was in Siberia reviewing troops, was unavailable for comment. He has urged the armed forces to remain neutral in the political struggle between Mr. Yeltsin and the conservative legislature, which nearly impeached Mr. Yeltsin earlier this month. But General Grachev is regarded as an ally of Mr. Yeltsin, who appointed him, and the opposition is worried that Mr. Yeltsin may try to force through political changes after the referendum by threatening to use the army.

The prosecution statement also said that Gennadiy Burbulis, a close adviser to Mr. Yeltsin who is despised by conservatives, would be questioned in another corruption case involving the smuggling of a secret substance known as "red mercury," which Western scientists regard as worthless.

Mr. Yeltsin has acknowledged that some corruption exists, though not to the degree alleged by Mr. Rutskoi. But he criticized Mr. Rutskoi on Thursday for not submitting any documents on corruption sooner, "instead of accumulating them for months until the right moment and waiting for the referendum on the president to begin." Officials charged "should respond according to the law," he said.

On a campaign trip Thursday, Mr. Yeltsin said he would act quickly, once the referendum results were clear, to try to push through a new constitution with a strong presidency and a new parliament, but would not use force.

"We shall have to take a series of tough steps, but certainly without involving submachine gunners," Mr. Yeltsin said in Izhevsk.



Muscovites waving posters and shouting slogans on Thursday in celebration of Lenin's birthday.

Pakistan a Casualty Of Cold War Debris

By Molly Moore
and John Ward Anderson
Washington Post Service

ISLAMABAD, Pakistan — During the Cold War, the United States pumped millions of dollars in weapons and training into Pakistan, working with this country's intelligence service to back the guerrillas fighting communism in Afghanistan.

Today the United States is threatening to brand Pakistan a terrorist state, attacking it as a rogue nuclear power and a haven for terrorists and drug smugglers.

A nation that once was a linchpin of U.S. foreign policy has become a casualty of post-Cold War political realignments. Amid domestic political turmoil, Pakistan is struggling to cope with the refuse of a superpower battle: a glut of weapons in the marketplace, large numbers of restless, combat-experienced foreign guerrillas, millions of Afghan refugees and an unbridled drug trade.

"The problems are enormous," said Shahayar Khan, Pakistan's secretary for foreign affairs. "We fought the Afghan war for 14 years, and now people who were committed to our side are suddenly seen as villains and branded as terrorists."

The plunge in Pakistani-U.S. relations illustrates what can happen in a poor country when it is no longer needed by a superpower.

U.S. concerns that once were glossed over because of Pakistan's key role in battling communism have now gained prominence in U.S.-Pakistan relations.

The year after the Soviet withdrawal from Afghanistan, the Bush administration suspended military aid to Pakistan over U.S. allegations that Pakistan had developed nuclear weapons. Islamabad refused to forswear nuclear arms, noting that India had exploded a nuclear device.

U.S. officials say they are increasing diplomatic pressure and are no longer willing to overlook the country's burgeoning drug trade.

In recent months, the United States has warned that it is considering adding Pakistan to its international list of countries deemed to sponsor terrorism. Such an action would put Pakistan in the company of Libya, Cuba, Iran, Iraq, North Korea and Syria.

The United States issued its warning based on what U.S. officials said is evidence that Pakistan is aiding secessionists in two neighboring Indian states, Kashmir and Punjab.

In recent weeks, Pakistan has figured, if circumstantially, in a rash of high-profile terrorist incidents. People who have come from, fled

to, trained in or had other ties to Pakistan have cropped up, sometimes in tenuous ways, in reports about bombings in Bombay and at the World Trade Center in New York, the shootings outside CIA headquarters in Langley, Virginia, and attacks on the police and tourists in Egypt.

"Pakistan is becoming the world's punching bag," said an American diplomat. Consigning Pakistan to the terrorist-state list, the diplomat said, could cause more problems than it would solve. "If they're put on the terrorist list, it could open up the floodgates."

A terrorist-state listing would cut off all aid from the United States, the World Bank and other international agencies — including that for the country's anti-narcotics programs, which rely almost entirely on international funding. Pakistan would lose all trade with the United States, its principal trading partner, which last year bought \$885 million in Pakistani goods.

U.S. and Pakistani officials said that declaring Pakistan a terrorist state could destabilize the region, worsening Pakistan's relations with India and forcing it into closer relations with its western neighbor, Iran. Such a move also could affect Pakistani domestic politics, enhancing the power of anti-Western Islamic fundamentalists.

"The anti-American radicals will push us out of the government," said Akram Zaki, the Foreign Ministry secretary-general, a moderate. "Then they will say, 'If you say we are terrorists, then let's be terrorists.'"

Kohl and Balladur, at First Meeting, Clash Over the World Trade Talks

Compiled by Our Staff From Dispatches

BONN — Chancellor Helmut Kohl of Germany and the new French prime minister, Edouard Balladur, disagreed over stalled world trade talks on Thursday, but Mr. Kohl said the differences were only nuances.

At their first meeting since Mr. Balladur's conservative coalition took office, they agreed that close relations between their two countries would remain crucial to European unity.

The two leaders were speaking at around the same time as the Bundesbank, Germany's central bank, was announcing cuts in key lending rates in Frankfurt — easing the way for other European countries to reduce their own rates.

Mr. Balladur expressed irritation at Germany's unwillingness to support French subsidies to farmers, who have been wrecking markets and dumping fruit on highways around France to protest the proposed trade accord.

Taking note of Mr. Kohl's troubles in trying to enroll Germany's army in peacekeeping missions without reawakening ghosts of the Nazi era, Mr. Balladur asked for the same understanding for France.

"We understand that Germany after its unification needs time to find its place in Europe and the world," Mr. Balladur said. "We are prepared to support that. We wish that Germany for its part would take account of the interests of our country."

He said those interests included "agriculture, in particular, and more generally the GATT talks."

Mr. Kohl and Mr. Balladur made clear that the stalled Uruguay Round of trade talks held under GATT, the General Agreement on Tariffs and Trade, had been the most contentious issue in their talks.

France has refused to accept the draft pact on agricultural trade that was reached in November between the European Community and the United States. It is widely seen as holding the key to concluding the Uruguay Round, now in its seventh year.

Mr. Kohl said it was normal that there would be nuances of opinion, even among close friends.

"I believe we are both convinced that in view of the recessionary developments in our two economies, a successful conclusion to GATT is of great importance," he said. "We need GATT, the industrial nations and especially the Third World, but an ability to compromise is required."

Mr. Kohl said the GATT talks were not limited to farming, a reference to German irritation that progress in the much larger services sector was being held up by the farming dispute.

Mr. Balladur said France was not satisfied with the current state of the GATT talks.

He reportedly wanted to visit Germany just after his conservative alliance swept the Socialists out of office March 28, but Mr. Kohl was on vacation in Austria and did not return until this week.

ITALY: Amato Resigns

(Continued from page 1)

The Chamber of Deputies speaker, Giorgio Napolitano, a leader of the former Communist Party, now called the Democratic Party of the Left. He would be Italy's first Communist prime minister.

Also named as contenders were the Senate president, Giovanni Spadolini, a Republican who held the post in 1981-82, and Budget Minister Beniamino Andreatta, a Christian Democrat.

One outsider frequently cited was Leopoldo Elia, president of the Constitutional Court and a Christian Democrat little known outside judicial and political circles.

Early success in Mr. Scalfaro's search would stoke up financial markets and smooth the path toward the country's most important general election since World War II, analysts said. Delay would invite political chaos and muffle the loud cry in the referendum for change, they said.

Mr. Scalfaro himself has spoken against the dangers of opening a power vacuum and is expected to make his decision in a few days.

MAJOR: Shaping a 'New Europe'

(Continued from page 1)

community that values national differences, free trade and democracy, and was pledged to move quickly to expand its membership from the 12 nations of Western Europe to Austria, Norway, Sweden and Finland, and, later, to Hungary, Poland and the Czech Republic.

Mr. Major's initiative came the day the House of Commons ended three months of an exhausting, line-by-line examination of the pending Maastricht treaty, buoying government hopes that the treaty would be ratified next summer. In the final hours of the debate, the Commons firmly rejected a motion by treaty opponents who sought to force a nationwide referendum.

The treaty is still subject to further review in the Commons, as well as the House of Lords, where rebels still vow to sabotage it.

Only Britain and Denmark have yet to ratify the treaty, which requires the endorsement of all 12 member nations to take effect. Mr. Major and other EC leaders agreed to the treaty in Maastricht in 1991.

The treaty could still be scuppered if Danish voters said no in a nationwide referendum next month, but public opinion polls suggest they would reject the treaty in a ballot last summer, now seem willing to go along with it.

Like the British, the Danes demanded assurances that the treaty would not require them to adopt a European currency or surrender their sovereignty over defense or immigration matters.

In his remarks, Mr. Major reiterated that he still wanted Britain to be "at the heart of Europe" as he first said two years ago, and argued there was much for the European Community to do on issues including migration, the environment, drugs, nuclear proliferation and protectionism.

But he described the idea of a centralized, federal Europe of 12 or more states as "a grandiose doodle." He also ridiculed opponents in Britain as people operating out of frustration — "Frustration that we are no longer a world power — frustration that nowhere is the nation-state fully sovereign, free to conduct its policies without concouring with ruddy foreigners."

to, trained in or had other ties to Pakistan have cropped up, sometimes in tenuous ways, in reports about bombings in Bombay and at the World Trade Center in New York, the shootings outside CIA headquarters in Langley, Virginia, and attacks on the police and tourists in Egypt.

"Pakistan is becoming the world's punching bag," said an American diplomat. Consigning Pakistan to the terrorist-state list, the diplomat said, could cause more problems than it would solve. "If they're put on the terrorist list, it could open up the floodgates."

A terrorist-state listing would cut off all aid from the United States, the World Bank and other international agencies — including that for the country's anti-narcotics programs, which rely almost entirely on international funding. Pakistan would lose all trade with the United States, its principal trading partner, which last year bought \$885 million in Pakistani goods.

U.S. and Pakistani officials said that declaring Pakistan a terrorist state could destabilize the region, worsening Pakistan's relations with India and forcing it into closer relations with its western neighbor, Iran. Such a move also could affect Pakistani domestic politics, enhancing the power of anti-Western Islamic fundamentalists.

"The anti-American radicals will push us out of the government," said Akram Zaki, the Foreign Ministry secretary-general, a moderate. "Then they will say, 'If you say we are terrorists, then let's be terrorists.'"

■ **Bhutto Spouse in Cabinet**

The husband of former Prime Minister Benazir Bhutto, jailed for most of the last two years on various criminal charges, was sworn in Thursday as one of 17 new ministers in Pakistan's 5-day-old caretaker government, Reuters reported from Islamabad.

Asif Ali Zardari, 39, took the oath of office at the presidential palace two months after he was released on bail by a special anti-terrorism court in Karachi.

Officials said 15 ministers were sworn in, swelling to 18 a caretaker cabinet that will run Pakistan while it prepares for general elections on July 14.

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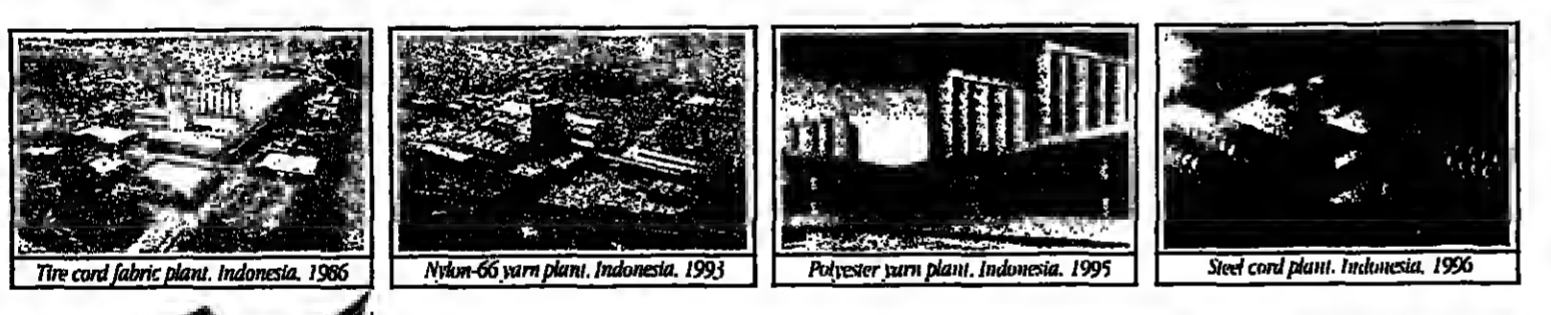
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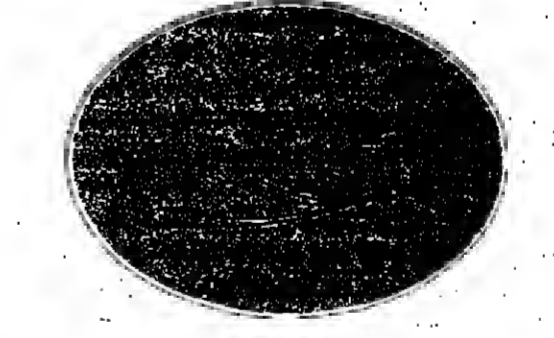
■ **Tunisia Arrests Smugglers**

Reuters

TUNIS — A Tunisian patrol boat stopped a fishing boat after a two-hour chase and arrested 25 Moroccans being smuggled into Libya without entry permits, the National Guard reported Thursday.



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Muslims and Croats Outdo Each Other With Latest Carnage

By Jonathan C. Randal
Washington Post Service

SANTICI, Bosnia-Herzegovina — The Croatian gunmen missed a fabled goat that peeked out from the ruins of a torched barn, but not a single house, the village mosque, the cows, the sheep or the three dozen villagers who once lived here.

The dead cows and sheep were still sprawled along narrow lanes in this "ethnically cleansed" Muslim village in central Bosnia, but the slaughtered villagers had been buried by British troops assigned to a UN humanitarian aid headquarters three kilometers away.

"Fifteen or 20 lobbed grenades through the front windows of Muslim houses," said Lieutenant Mark Jones, a British officer serving with the UN Protection Force in Bosnia.

Then, he said, the Croatian attackers "waited for the people to bolt out the door and shot them." Some bodies found on Wednesday outside houses in the village had broken limbs, apparently suffered when residents jumped from

upper floors to escape fires set to drive them out, he said. British officers and UN officials say the grisly scene was one of many throughout central Bosnia, as ferocious fighting between Croatian and Muslim forces in Bosnia's three-sided factional war continued.

An estimated 250 people, mostly civilians, have been killed in six days of fighting, and militiamen on both sides have been responsible for atrocities and human rights abuses, UN officials say.

British UN troops stationed in the nearby city of Vitez, a focus of the Muslim-Croatian combat, say the killing has been as wanton as any in a year of savage Serbian-Muslim-Croatian warfare here.

Cedric Thornberry, civil affairs director of the UN Balkan peace mission, said that massacres and summary executions had been perpetrated by both the Muslims and the Croats, nominal allies in the war against the more powerful Serbian nationalist faction.

Such terror tactics have been common throughout the war and have been used with particularly brutal effect by Serbian nationalist forces as they overran more than 70 percent of Bosnia-Herzegovina, driving both Muslims and Croats from their homes.

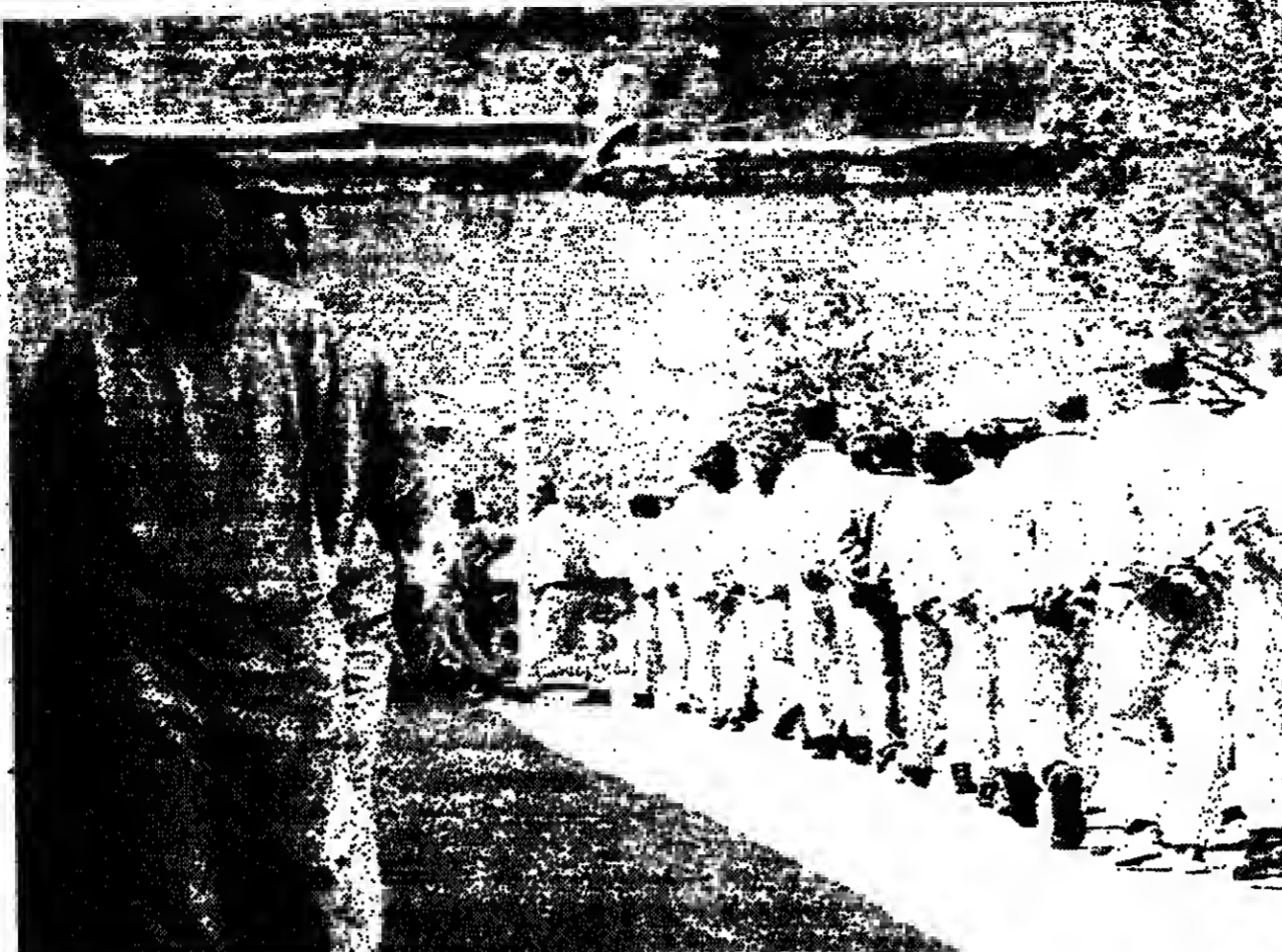
Serious friction between the Muslims and the Croats, who share authority in Bosnia's embattled government, began to arise last autumn, which led to a series of clashes in central Bosnia, that were quickly resolved with cease-fires.

But Western analysts say that the latest fighting, concentrated around a number of towns and cities northwest of Sarajevo, has been far more intense and protracted as the two groups have apparently sought to secure territory they believe would be apportioned to them under terms of a UN-backed peace proposal.

Significantly, the fighting has been centered around the mixed Muslim-Croatian towns of Vitez, Travnik, Zenica and Bosovaca and along a proposed boundary between what the peace plan envisions as a Muslim-majority province and a Croat-majority province.

UN officials have been working almost around the clock to negotiate a halt to the fighting, but three successive cease-fires have collapsed immediately.

One officer noted that both sides had significant forces in the region and seemed poised to seek control of strategic high ground and road junctions.



Captured Bosnian Serbian soldiers exercising on Thursday in a military prison in Muslim-controlled Tuzla, Bosnia-Herzegovina.

SERBS: In Bosnia, They Are Confused and Angry, but Still Unrepentant

(Continued from page 1)

them to Serbia — is worrisome. "We don't sleep," admitted Djuro Kokotovic, 60, a government worker in the town of Pale wearing camouflage fatigues and a week's growth of stubble. "We're very nervous about the bombing." He said his son had been killed right next to him as they patrolled in the hills over Sarajevo, the besieged capital.

Compared with the towns around it, Bratunac has been relatively spared. Reaching it means a detour from the main road between Vlasenica and Zvornik across a 30-kilometer stretch past villages in which every house has been burned or blasted away. Some of the villages were Serbian, some Muslim, but there is not a single inhabitant.

In Bratunac, the deaths of Serbs are reflected mainly in ubiquitous death notices the size of leaflets. Rimmed in black, each has a cross and a copy of a photograph — usually a handsome young man in his 20s — and they are plastered by the scores across deserted store windows. Town officials say 600 people from Bratunac have died in the past six months.

It is in this region that Muslim fighters carried out many of their most effective raids and killed the greatest number of Serbs, moving from a warren of mountain bases. In one spectacular case, they took over a mine nearby and used it as a fortress for forays into neighboring villages, Serbs here say.

A soldier in a coffeehouse, who did not want to give his name, said the hatred ran so deep that the Muslims would have to vacate Srebrenica, 10 kilometers south of here, where as many as 30,000 refugees are stranded with nothing but a slim United Nations presence.

"If the Muslims stay in Srebrenica," he said, "there will never be peace." He said his own village of Kravica had been attacked early one winter morning. "The Muslims wore white. They were hard to spot against the snow. Even Muslim women and children came, shouting and ululating. They slaughtered almost everyone. My mother escaped over the mountain, but my brother was killed."

Given the hatred, Serbs say, it is only to be expected that Serbian women and children have often poured into the street to stop the UN relief convoys bound along the single road from Belgrade to Srebrenica. "Nobody is giving us food," said one. "Why should they get it?"

A 1991 census showed that Muslims formed a majority of Bratunac's 18,000 people, but virtually all of them have left. The question of what drove the Muslims out is not one that people here are ready to answer, other than by saying that the Muslims decided voluntarily to go to Srebrenica.

Interviews during a four-day trip from Sarajevo to Srebrenica through the area that calls itself the Serbian Republic of Bosnia turned up a considerable paranoia and a line of reasoning that put the blame for the chain of violence on others.

In the face of overwhelming evidence and the accounts of UN officials, most people deny that many atrocities have occurred, attributing the reports to netarious propaganda financed by

foreign countries. When they acknowledge that horrific acts have been committed, they say they were a reaction to the unspeakable crimes of the other side, ignored by the world.

Civilian leaders here appear convinced that the Muslims started the war. "The only way we could survive was to undertake an attack," says the mayor, Ljubo Simic.

Sitting in his living room and pouring glasses of plum brandy, with Belgrade television booming out a World War II documentary in the background, he continued: "The Serbs didn't want war. This is the biggest mistake of all. There has been a big media campaign financed by the Arab states."

In a reference to Slavs who converted to Islam during the Ottoman occupation after the battle of Kosovo in 1389, he said, "We've always been here and the Muslims have only been here since the 15th century."

In reaching back into history to recall centuries of Turkish domination and brutality by Croatian fascists during World War II, Bosnian Serbs often speak as if their own nationalist fighters were simply redressing the balance.

Reports that Turkish planes are going to join NATO aircraft enforcing an air exclusion zone over Bosnia send people here into a frenzy. It completes the sense that they are being encircled, that the Serbs' age-old enemies are lining up to overwhelm them and boss around a proud people.

They are the weak ones and the victims, not the Muslims, the Bosnian Serbs here say.

UN Hunts for Arms In Srebrenica After Serbs Cite Holdouts

Compiled by Our Staff From Dispatches

SARAJEVO, Bosnia-Herzegovina — United Nations troops in Srebrenica made sporadic searches for weapons Thursday after Serbian leaders charged that Muslim troops there had not honored a plan to hand over all armaments.

In central Bosnia, Muslim and Croatian forces battled fiercely for territory on Thursday and UN peacekeepers acknowledged that they were unable to stop the fighting, which has killed at least 250 people, mostly civilians, in the past week.

Commander Barry Frewer, a UN Protection Force spokesman, declined to give the number of arms surrendered by the Srebrenica Muslims but said it was more than the 30 reported by the chief of staff of Bosnian Serbian forces, General Manojlo Milovanovic.

General Milovanovic said Thursday that "the Muslims have surrendered a ridiculous quantity of arms, which for the most part are old and useless."

UN officials said that a ceasefire in Srebrenica was holding. More than 20,000 refugees are trapped in the town, which was a Muslim guerrilla stronghold until a Serbian offensive forced its virtual surrender under UN protection last week.

In Zagreb, Croatia, the commander of UN peacekeeping forces in the former Yugoslavia said that the 145 Canadian peacekeepers in Srebrenica would use force if necessary to defend the town if it was attacked.

"The order is that they protect this demilitarized zone as peacekeepers," said the commander, Lieutenant General Lars-Erik Wahlgren. "That means that if somebody tries to enter it with force, they will use force in self-defense."

In the Muslim-Croatian conflict in central Bosnia, fighting continued around the Muslim-held town of Vitez, threatening supplies of aid to the capital, Sarajevo.

The struggle for disputed towns and villages posed a fresh threat to a UN-sponsored peace plan for Bosnia.

The plan faces a critical test in the self-proclaimed Bosnian Serbian parliament on Friday, when dominant hard-line legislators will push for its final rejection, although this will activate tough new

sanctions against the Serb-led rump state of Yugoslavia.

Muslim-controlled Sarajevo radio reported that Croatian forces had captured the town of Vares, 35 kilometers (20 miles) north of Sarajevo. The radio also accused the Croats of shelling Muslim positions around Kisejck to the west of Sarajevo.

The demilitarization of Srebrenica began Sunday, and General Wahlgren announced late Wednesday that it had been accomplished.

But General Milovanovic insisted that Muslim units in the enclave had at least 17,000 modern weapons.

Commander Frewer said he had not received any reports of resistance to the search for hidden arms, which the Canadians are carrying out in conjunction with liaison teams from both sides.

He reported some tank and small-arms fire outside Srebrenica but said the demilitarized "core," four kilometers long and 1.5 kilometers wide, was calm.

Commander Frewer reported that the Serbs were still refusing Thursday to allow two platoons of Canadian soldiers, a total of 68 soldiers, to reinforce the 145 peacekeepers already in Srebrenica, or to allow those there to be resupplied.

On the question of wider Western involvement in the Balkans, the NATO secretary-general, Manfred Wörner, said the United Nations should consider air strikes against the Bosnian Serbs' forces.

He said in an interview published in the London newspaper *The Independent* that "more decisive measures" were needed than the "no-flight" zone over Bosnia, which the 16-nation North Atlantic Treaty Organization is policing.

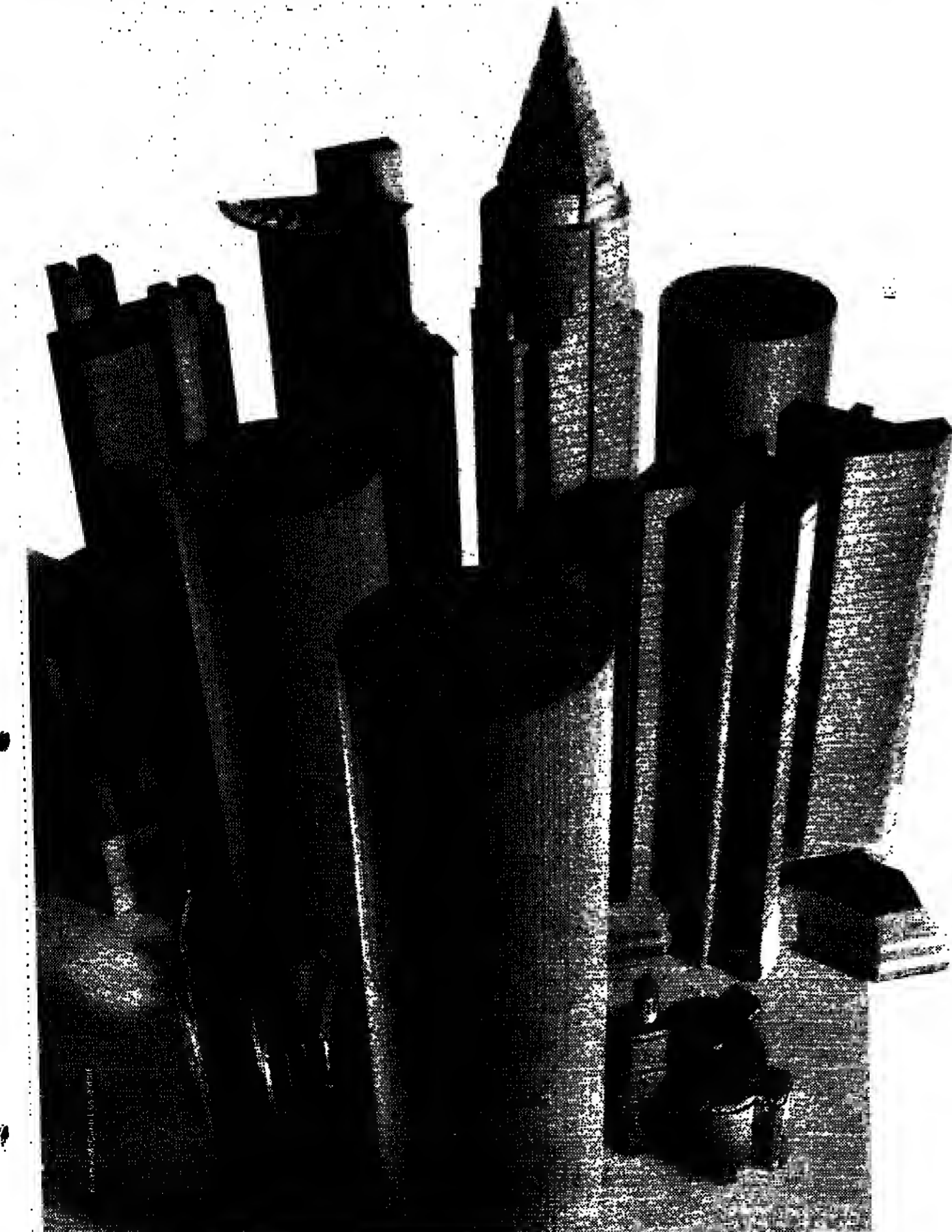
He did not specify what actions should be taken, saying that was a matter for the UN Security Council.

But he noted: "Lord Owen proposes even air strikes. If a man like him requests that, it deserves serious consideration by the United Nations." (AFP, Reuters)

India Blast Wounds 26

NEW DELHI — An explosion Thursday at the Surat railroad station in western India wounded at least 26 people, the Press Trust of India news agency reported.

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INTERNATIONAL Herald Tribune

Clinton and China

As China is demonstrating, you don't live in a democracy to understand the art of vote-buying. The Chinese have been laying out large amounts of money for American exports carefully chosen for the maximum possible political impact...

Some Americans — President George Bush was one — argue that more trade with the rest of the world will eventually induce China to become a more open society. But in recent years there has not been much evidence of progress.

Schools, Ten Years On

We report to the American people that while we can take justifiable pride in what our schools and colleges have historically accomplished and contributed to the United States and the well-being of its people, the educational foundations of our society are presently being eroded by a rising tide of mediocrity...

meeting their states' minimum competency requirements, and test scores among minority students have been rising, although they continue to lag behind those of white students. Still, what the states did and are doing standards — is not to be dismissed.

Italy: They Will Clean Up Their Acts, but Probably Not Much

ROME — "Non cambia niente," the street vendor answered when asked what would happen now that Italians have overwhelmingly voted to reform their political system.

his baroque office. "Please tell me what you will do now. How will you reform the welfare state? What will be your fiscal policy?"

America: Clinton Should Stress His Big Themes

WASHINGTON — When American politics goes well, there is a clear connection between what politicians in Washington are talking about and what the country is worried about.

WASHINGTON — As the U.S. government considers what kind of aid to give the former Soviet republics, food availability — and correctly — will figure in the plans.

Russia: Food From the East Europeans

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Other Comment

A U.S.-Japan 'Rebalancing' — "The Cold War partnership between our two countries is outdated." With those words, President Bill Clinton signaled what could be a historic shift in U.S.-Japan relations.

market, not only to U.S. goods but to other exports, have had only limited success. New approaches are needed.

Never Again? Open Your Eyes!

WASHINGTON — "Never again!" The emphatic words echo and re-echo this week. Half a century after the Holocaust — on the 50th anniversary of the last gasp of the Warsaw Ghetto — statesman after statesman proclaims with fervor that "never again" must such a crime be tolerated by the civilized world, never again must 6 million Jews be gassed to death, never again must genocide occur.

By Zbigniew Brzezinski
The indifference to the slaughter in the ghetto is mirrored in the passivity of the citizens who watch the agony of Srebrenica on television, and in the hypocrisy of evasive statesmen as they draft their "Never again!" speeches.

some would have argued. Of course, national interests dictate large defense budgets — but apparently not the use of force to defend justice and to avert atrocity.



Ethnic Cleansing

A Leader With Moral Courage and Political Will?

LONDON — As a vast European tragedy unfolds — a tragedy unprecedented in 50 years — where is the Western political leadership that will halt this slaughter of the innocents?

By Winston S. Churchill
The writer, grandson of the wartime prime minister, is a Conservative member of Parliament.

no one is suggesting that. What we can do first and foremost is the threat of withholding European Community and U.S. economic aid to Russia, is to bring Russia, which has close links with the Serbs, back into line on this issue.

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League, headed by Umberto Bossi, a fiery demagogue who preaches extreme federalism. With the backing of owners of small and medium-sized business and suppliers, he wants to separate the rich North from the rest of the country.

Signi, a former Christian Democrat, it provided the backbone behind this week's vote. Asked to explain what kind of new system he had in mind, Mr. Segni replied: "I can't say what it will be like, but it will be different."

Russia: Food From the East Europeans

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Eastern Europe used to rely on — Russia and its fellow former Soviet republics — has collapsed.

like drops in gross domestic product and steep rises in unemployment since 1990. Surely the West has a stake in economic prosperity in the region and in the new democracies that depend on it.

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way to do that is to move attention away from the Bill Clinton-Bob Dole cat fight, away from the desultory details of congressional politics.

And the battle cannot be just about the deficit. The Republicans (oow that they are out of power) and Ross Perot will always be able to out-deficit Mr. Clinton and the Democrats.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: A Better Rifle? LONDON — A new automatic magazine rifle, which is the joint invention of Captain Herbert Woodgate of the South Wales Borderers, will be tested tomorrow (April 24). This rifle is capable of discharging some seven shots in two seconds, but the inventors claim that its chief merit lies in the fact that it is not necessary to move it from the shoulder, and thus a greater accuracy of aim is the result.

1943: The Church's Role LONDON — [From our New York edition:] A strongly worded manifesto attacking Dr. William Gordon Temple, Archbishop of Canterbury, for "persistent intervention" by the Church in political affairs and protesting against "attempts to use the Church for political ends" has been sent by a body of Church of England members. A letter to the Archbishop said: "Your grace's action is gravely impugning the cause of unity among churchmen. We believe that the duty of the Church is not the preaching of a planned economy but the spiritual regeneration of the multitude, long neglected, and now again being tragically frustrated by preoccupation of so many of the Church's leaders with social and economic questions."

1918: 'Thank Heaven!' WASHINGTON — Ex-President Roosevelt has published a remarkable article entitled "Thank Heaven!" in which he expresses his pleasure at seeing "America's little army on the front placed entirely at the disposition of the French and British commanders, to be employed in any useful way in the terrible battle now being fought. Let us thank Heaven that American soldiers are going to

fight in the great battle against the bestial enemy of America and of the world. Every American, born or yet to be born, will have contracted an eternal debt toward these men."

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairman. LEE W. HUEBNER, Publisher. JOHN VINCIGUERA, Executive Editor...

OPINION

The Chairman — ZZZZZ — Is Concerned

By William Safire

WASHINGTON — Occasionally a speech is written of such apparently smugging dullness that it rates the accolade "MEGO of the Year." (MEGO is the acronym for "My eyes glaze over.")

This year's award — a half-lidded eyeball on a field of Z's — goes to Alan Greenspan, Federal Reserve chairman, for his speech this week to the Economic Club of New York. Its stirring title was "Remarks" — a come-on to become comatose.

You remember Alan, whose mournful countenance the cameras caught sitting next to the first lady in the balcony during the president's inaugural address. I don't read any diminution of Fed independence to that; he thought he was going to sit way back in the Executive Box next to Alice Rivlin or some other functionary, and nobody told him he would be pressed into the A-6 ticket in the front row inviting him to televised hand-holding with Hillary.

Mr. Greenspan's topic was inflation. At first, he acted unworried: "The inflationary pressures that so dominated the economic events of most of the last quarter-century appear largely, though not so wholly, subdued."

that new taxes will either reduce the deficit (good for bonds) or reignite recession (bad for everybody but bondholders).

Mr. Greenspan waxes aside "the recent firming in some materials prices" (translation: lumber is skyrocketing) and blames the weather for "the recent firming of wages" (over time is way up). So long as banks are reluctant to lend, "it is difficult to envision inflationary pressures intensifying."

So we can relax? Nope. "We need to be especially vigilant not to be mesmerized," he warns, "by the current tranquillity of the inflationary environment."

O.K., let's help the chairman —

A Middling American Report Card

By Richard Reeves

LOS ANGELES — I am one of the generation of Americans who were urged to eat their vegetables by their mothers.

percent of what each American does. An American has to work only 20 minutes to earn enough to buy a Big Mac and a large order of fries.

A new quality-of-life survey gives the United States an A in Wealth but a D in Leisure Time and only a B in Climbing the Ladder.

France, Germany and Italy might actually live better than we Americans do. That's practically treason for folks raised to declare that the Pursuit of Happiness was practically a constitutional right.

Jonathon Peterson of the Los Angeles Times apparently thought about it, too. And he did something about it: collecting statistics and impressions around the world to try to compare the quality of life in the United States with life in other developed countries.

Letters to the Editor

Japan's Cars in Europe
Regarding "Man Who Built BMW Steps Down" (March 19): The article states that Japanese car companies "are moving aggressively into the European Community market, where they are setting up production facilities to get around quotas on imported cars."

A Ravaged Landscape
Regarding "Washington Should Get Out of the Sociology Business" (Opinion, April 15): By equating social ills with cities, George F. Will reveals an uncharacteristic intellectual provincialism.

Lesson of Defiance
Regarding "Bosnia: A Record of Western Inamy and Cowardice" (Opinion, April 8) by William Pfaff: At the end of his piece, Mr. Pfaff asks, "What will follow?" One answer appears in a headline on the front page of the same edition: "North Koreans Warn of War Clouds."

A President's Priorities
Regarding "To Lead an Uncivil World, Clinton Needs Success" (Opinion, April 12): Leslie H. Gelp seems to have missed the point of President Bill Clinton's reason for being, and focuses on a questionable measure of a president's importance.

Viewing vs. Reading
Regarding "Declare War on Television's Sick Information With Violence" (Opinion, April 8) by George F. Will: People who have grown up on television's false portrayal of fiction-as-fact do not learn to distinguish fact from fiction in real life.

Friendly Computerland
Regarding "Here's to All My Pen Pals, Computerized and Human" (Meanwhile, April 2): As a result of my above-mentioned article, a number of people have asked me if my use of a computer and a modem to communicate is not costing me a fortune.

Back at School No. 5, a Mystery Solved

By Nina Klose

WASHINGTON — When I was 10, my brother and I attended Moscow Special School No. 5. This was 1977, late in the Brezhnev era; it was a time when politics came before arithmetic and when No. 5 was known as one of the three most exclusive special language schools in Moscow.

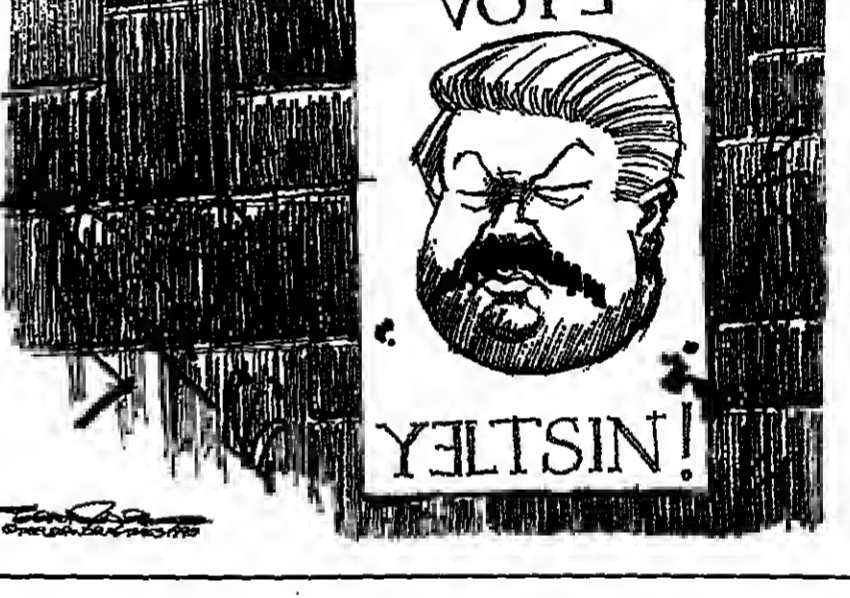
Some months ago, I set out on a personal journey. I went back to Moscow and contacted classmates, teachers and the principal to find out how a group of 22- and 23-year-olds educated to join the old Soviet elite are adjusting to the new, yeltsin-era Russia.

meanwhile

month) and two student stipends, leaving them far below the poverty line. Her husband, Masha, worked at McDonald's last summer on his vacation from the Bauman Institute, where he studies electronics. But graduation and a full-time job are 18 months away. Irina has been unable to work, what with her toddler and her computer programming studies.

Valentine's Day party, planning to introduce six girls to paper doilies and chocolate hearts. American-style. All said they wanted to come. But on the day of the party, all six mysteriously had reasons why they couldn't.

THE WRITER, A GRADUATE STUDENT at the Fletcher School of International Diplomacy at Tufts University in Medford, Massachusetts, lived in Moscow from 1977 to 1981, when her father was Moscow bureau chief for The Washington Post.



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Germany's New States

NOT ONLY NEW PRODUCTS, BUT A NEW PRODUCTIVITY

The 10,000 manufacturing companies in Eastern Germany recorded a 60 percent rise in productivity in 1992. The figure is set to grow another 30 percent this year, according to the authoritative *Süddeutsche Zeitung*. Manufacturing output grew by a healthy 5.5 percent in 1992; another 8 percent is expected for 1993.

Eastern Germany's upswing in production has generated some notable success stories as well as considerable costs. The world's business press has been reporting on companies like ASI Computer, the Taiwanese-Hessian partnership that, through its facility in Thuringia, hopes to become Germany's largest and most profitable computer hardware producer; and on the international competition to acquire Germania Skifabrik and its Winter Olympics-winning skis. The press has also covered the other side of this increase in productivity: the frequently wrenching, not always successful rationalizations and the extensive, expensive job-creation and

children's playrooms and collectors' showcases throughout Europe and the United States. In 1972, the company was turned into VEB Berliner TT-Bahnen, a mini-Kombinat employing 800 people and charged with supplying toy trains to the entire East bloc.

By 1991, the company had been reprivatized and was in difficulty, its markets in the East were gone and its top-heavy payroll was dragging it toward bankruptcy. Enter Mr. Parisel, who had learned of the company and its unique products. "A gauge that no one else was producing, a quality of detail no one else could offer," is how Mr. Parisel describes it.

During the second half of 1991, Mr. Parisel served as the company's chief executive, fashioning a new product line aimed at Western markets. TT-Behnen Zeuke, as the company was

renamed, employed 80 people and was kept afloat with Treuhand credits. Encouraged by the positive reception given the products at various German and foreign trade fairs, Mr. Parisel purchased the company. Today, turnover has doubled and 20 people have been added to the staff.



Pianos from Leipzig: In tune with the market.

re-education programs set up to help those who have lost their jobs.

In Europe's business community, visible evidence of an upswing has been the appearance of shiny trade journals and catalogs displaying the wares of environmental technology firms in Mecklenburg-West Pomerania, industrial-facility design teams from Leipzig or vacuum-based plastics-forming machine builders in Chemnitz.

These companies have other characteristics in common besides rapid growth in productivity and an aggressive outreach to prospective clients. A typical manufacturing company in Eastern Germany is small, with less than 500 employees, and oriented toward one particular market segment.

According to Klaus von Dohnanyi, a prominent German politician and chairman of the supervisory board of Leipzig's Takrat AG, the viability of this profile has been one of the key discoveries of the privatization process being overseen by Germany's Treuhandanstalt.

"Privatization is actually a bit of a misnomer," says Mr. von Dohnanyi. "What the Treuhand has learned how to do is to fashion companies with a coherency of products or expertise out of the amorphous masses of the Kombinate [vertically and horizontally integrated, public-sector industrial groups]. This is an era of niche markets, and of niche companies able to serve them."

The catalyst is, of course, an investor who can recognize both the niche and the ability of the Treuhand company to fill it. One example is Carlo Parisel and his serendipitous discovery of TT (for "table top") toy trains. Zeuke & Wegwerth KG, with headquarters in East Berlin, manufactured train sets found in chil-

DKK Scharfenstein (the manufacturer of the "ecological refrigerator"), MZ motorcycles, Pentacon cameras, the East German shipbuilding, bicycle manufacturing and computer industries and other current corporate headlines have all been on the critical list at some point in their four years in Eastern Germany's new free-market economy.

As Hero Brahm, vice president of the Treuhand, explains: "It often takes time — more time than management cares for — for a new company to find the right formula, the right structure for its markets. That's our job — to give our companies the time and the money they need to get on their feet."

Many of the more than 11,000 companies the Treuhand has privatized were quickly snapped up by investors after a bit of corporate sprucing up; examples are the consumer goods, tourism and building-materials sectors. But other companies have taken years to make the transition to self-sufficiency.

Giving them those years, and the financial and managerial backup they require, is the job of the Treuhand's five "management KGs," or limited partnerships. In these ventures, the partners are a proven company doctor, who invests his expertise and time in turning around his corporate charges, and the Treuhand, which supplies the operating capital. Each of the management KGs supervise between seven and 21 individual companies, with a total of 69 companies and 32,000 people currently included in the scheme.

These figures may already be out of date. Rapid progress toward profitability has made a number of management KG companies top candidates for privatization. One of them is Maschinenfabrik Halberstadt GmbH. Located in Saxony-Anhalt, this producer of large-scale diesel motors and compressors saw its turnover drop sharply during its first three years of operation, reaching a rock-bottom 18 million Deutsche marks (\$11 million) in 1992. Drawing on the expertise and financial resources of H.W. Urban GmbH & Co. management KG, the company has

come up with such new products as a natural gas-powered diesel engine used in cogeneration plants. The company projects 250 percent growth in turnover in 1993, with an additional 50 percent growth — and profitability — predicted for 1994.

Eastern Germany has long been a successful export region. Paced by several spectacular examples, East German companies have been moving into Western markets.

It was a natural for any headline: Successful East German company takes over activities of a struggling Western counterpart. In this case, the Eastern company was Eilenburger Chemiewerk AG, a Saxony-based chemicals producer, and part of the plastics production operations of Hols AG (Mar) was what it acquired. The reason for Eilenburger's decision: the need for further production capacity so as to continue a 25 percent growth in turnover per year plus the chance to acquire an accepted trademark.

East German companies are expanding westward. While there have been a number of examples similar to Eilenburger's, more typical is Leipzig's Pumpen- und Gebläsewerk. This pump manufacturer has raised its rate of exports slightly — from 50 percent to 55 percent — over the past year, while increasing its shipments to the West eightfold. Main clients include such well-known names as BASF and Voest Alpien.

Although most exports are in the mechanical engineering sector, Eastern Germany has also become a major supplier of such exotic goods as organic vegetables and grains. Some 100,000 hectares are now under "biological" cultivation in the region.

Brauerei Colditz is responsible for another exotic product. There is nothing unusual about the beer brewed from this Saxony-based brewer — just where it's sold. Riding an improbable wave of nostalgia for World War II — Colditz was a POW camp — Colditz beer is the newest hit in London, with the English market already accounting for 10 percent of the company's total sales.



Research and development is playing a vital role in the expansion of East German industry.

AN EXECUTIVE VIEW OF THE TREUHAND'S FUTURE

After a long and distinguished career in West German industry, Hero Brahm became vice president of the Treuhand's executive board in May 1991. Here he discusses the current and coming functions of the organization.

East German companies, often under the auspices of the Treuhand, are bringing entire ranges of new products and services to the Hannover Trade Fair. What do you envision coming out of the fair?

A key element will be the outcomes of the daily, face-to-face meetings taking place at the Treuhand's stand between the buyers working for Germany's largest companies and East German suppliers. These "eyes on" encounters with the companies' new products and services could create a sales impetus that would allow the target of 50 billion Deutsche marks [\$30 billion] in purchases of East German wares — a pledge made by an ad hoc coalition of Germany's major companies — to be realized by 1994, and not 1995 as originally planned.

Comparing this year's fair with previous ones, what differences do you see in the perception of Treuhand companies by international exhibitors?

There used to be quite a bit of commiseration with the companies' struggles to restructure and modernize. That has now changed to the respect accorded to potential partners — or competitors. One new factor has been the worldwide recession. In uncertain times, our companies are currently profiting from the security provided by working with the Treuhand.

What will the Treuhand look like a year from now?

We will have largely completed the privatization process. There will be a certain number of "management

KGs" [holding companies with private-sector management and capital funding from the Treuhand]; a few large-scale companies will still be in our portfolio. The departments responsible for industrial sectors and for marketing will have wound up their activities to a great extent. The departments administering the Treuhand's contracts with private investors and its real-estate holdings will have a new, larger scale of activities, with more areas of responsibility and personnel. The Treuhand's



Hero Brahm, vice president of the Treuhandanstalt's executive board.

target date is January 1, 1995 — "independence day" for our various activities. From that point on, our various departments and companies will be self-managing operations.

And the Treuhand itself? Will some large-scale successor organization be created to assume its remaining responsibilities?

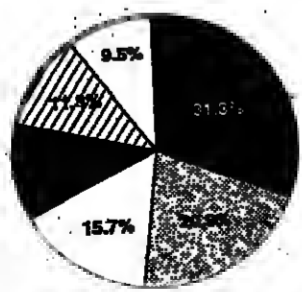
There has been some talk about creating an "Eastern Germany Industry Holding AG," an idea I regard as both unnecessary and out of tune with our era — in which we have learned the importance of decentralizing authority to smaller, efficient units. The work of supervising the handful of companies remaining under public-sector ownership in Eastern Germany and of monitoring the former Treuhand's various other activities could be handled by a [federal] finance ministry department, or something slightly larger in scope and powers. I favor a low-key approach.

EAST GERMAN PRIVATIZATION: THE STORY CONTINUES

- The Treuhand has privatized 11,234 companies, with 1,253 companies remaining to be privatized.
- Some 1.42 million jobs and 175.5 billion Deutsche marks (\$107 billion) in investment has been guaranteed as of March 1, 1993.
- Foreigners have purchased 577 companies from the Treuhand, guaranteeing 123,740 jobs and 17.4 billion DM in investment.

- Leading countries in terms of numbers of companies acquired: Switzerland, Austria and Britain.
- Leading countries in terms of investments guaranteed: France, United States and Britain.
- Leading countries in terms of jobs guaranteed: France, Canada and Britain.

PIECES OF THE EAST GERMAN INVESTMENT PIE



Some 115 billion Deutsche marks (\$70 billion) were invested in capital goods, production facilities and structures in Eastern Germany in 1992, up 35 percent over 1991. West German investors, unsurprisingly, led the pack, and more than 10 percent came from residential property owners.

This advertising section was produced in its entirety by the supplements division of the International Herald Tribune's advertising department. Support for the section was provided by the Treuhandanstalt. It was written by Terry Swartzberg, a business journalist based in Munich.

USEFUL ADDRESSES: TREUHANDANSTALT

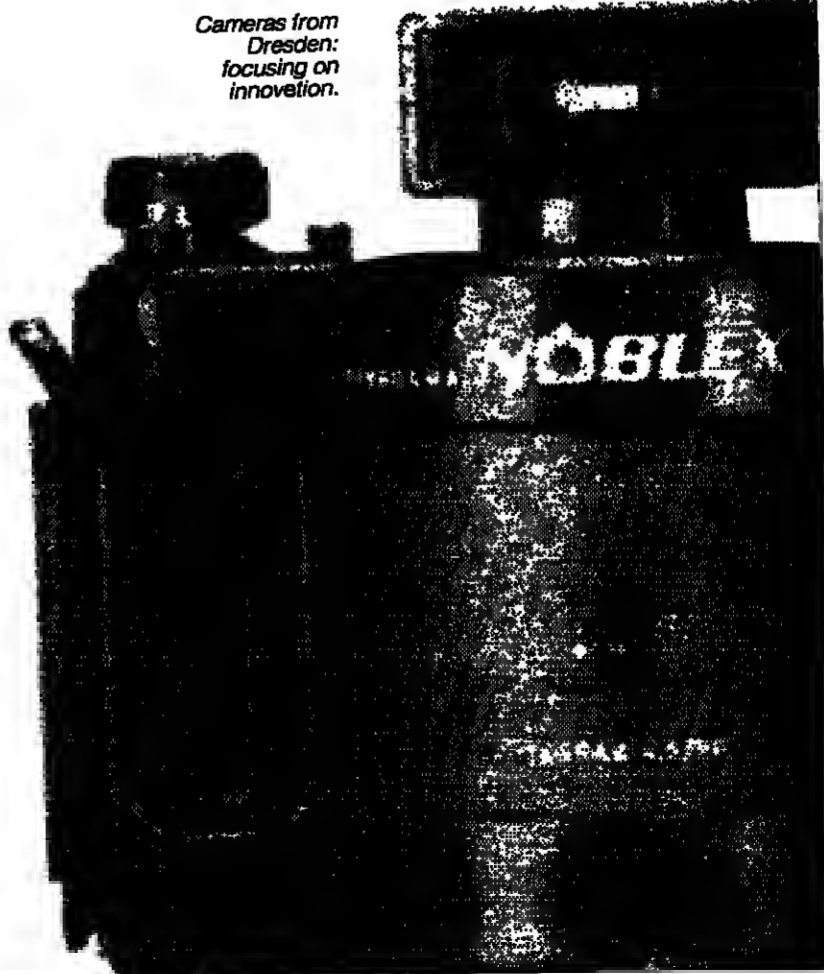
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Information for investors:
Tel.: (49 130) 82 84 81
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Fax: (49 30) 25 15 184
(Information available on floppy disk)

Central tender office:
Tel.: (49 30) 31 54 27 63
Fax: (49 30) 31 54 28 53
T.L.G.: Treuhand-Liegenschaftsgesellschaft mbH (real-estate)

Alexanderplatz 6
D-O-1020 Berlin
Tel.: (49 30) 31 54 70 00
The Treuhand at the Hannover Trade Fair:
Hall 20, C 12

Cameras from Dresden: focusing on innovation.



ADVERTISING SECTION

BRINGING THE GOOD NEWS TO LEIPZIG AND HANNOVER

Eastern Germany's private sector is broadly based and heavy on advanced products. In order to help this young economy get the access to the world markets it needs, the Treuhandanstalt, the architect of the region's successful privatization program, has gone public with new, far-reaching sales information and assistance programs.

In its three years of operations, the Treuhandanstalt has fashioned 12,500 companies out of the unwieldy mass of East German Kombinate and VEBs. Well over 11,250 of these companies have been privatized, and this figure is increasing at the rate of 200 a month.

The Treuhand's message arrived in Western Germany on March 3, when an oversized Treuhand bus began its three-month "Tour for Eastern Germany" in the city of Bochum. The tour continues the course set by December's "Made in Germany" fair, which served as the debut for Eastern Germany's new industrial sector. The tour, in turn, serves as a lead-in to the Hannover Trade Fair, the site of meetings between buyers for some of Europe's largest companies and East German executives.

The Treuhand's work has involved and been in both time and resources. Company by company, the Treuhand and its 15 regional offices worked with local staff members to find a suitable corporate size, form and ownership. The Treuhand then provided financial and technical assistance for environmental problems as well as new products and facilities.

The Treuhand's work has yielded gleaming machines,

high product ratings in trade journals — and vast new possibilities. Says the chief financial officer for a security equipment manufacturer located in Saxony-Anhalt: "The catching up on the factory floor is over. Now it's a question of catching up on the markets."

Hero Brahm, the Treuhand's vice president, says: "Our companies need more business. And to get it, we're going out to the world markets with a simple bit of information: We have viable companies with viable products."

More business is needed to boost a tentative turnaround into a prolonged upswing. In 1992, Eastern Germany's total manufacturing output grew at a respectable rate of 5.6 percent. This growth, however, was not evenly spread. The double-digit rates recorded by such shooting stars as power-plant producer ABB Kraftanlage, computer manufacturer Computer-Elektronik Dresden and Denkmalpflege Mecklenburg GmbH, a specialist in restoring historic buildings, were counterbalanced by other struggling starts in the private sector.

The most promising source of new business for these companies is Eastern Germany itself. Or, at any rate, it should be. These companies have still not acquired an adequate share of their home market of 16 million people, which became one of the world's largest on a per capita basis following German unification. During the last two-and-a-half years, 250 billion Deutsche marks (\$154 billion) has been spent on bringing Eastern Germany's telephones, highways, bank buildings, power plants and other assets up to Western standards.



Telecommunications in Saxony: mobile.

Western companies, able to deliver state-of-the-art systems quickly and efficiently, feasted on this infrastructure-based boom. It provided both the companies and their national economies with a cushion against the effects of the worldwide recession.

But for East German companies — with the notable exceptions of the construction, food processing, profes-

sional and trade service sectors — it was a time of relative famine in both Eastern and Western markets. The recently restructured companies were new to the West's complex, fast-moving world of public-sector bidding and private-sector deal-making. When the time came to select suppliers or consortium partners, these newcomers often could not flash the credentials of years of close working relationships with Western companies.

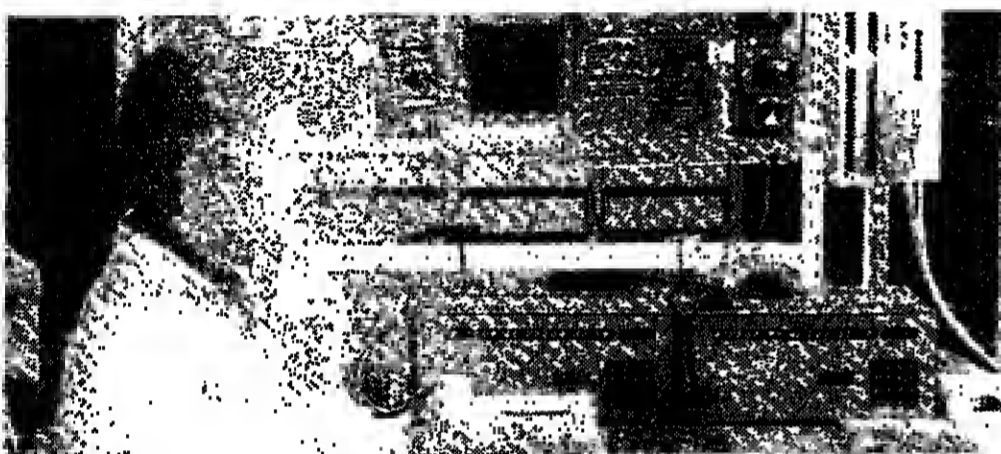
In one sense, the Treuhand has been doing nothing but matchmaking since it began full operations three years ago. In thousands of privatizations, the agency has brought together companies and investors through management buy-outs, management and capital.

Companies and their potential customers can get to know each other through the dissemination of information on the products available. At "Made in Germany," held in Leipzig Dec. 3-5, 1992, over 200 companies showcased their wares to hundreds of managers and economic officials.

The Hannover Trade Fair features 500 East German stands, 80 of them maintained by Treuhand charges. At the Treuhand's stand, representatives from these companies, plus other executives from Eastern Germany, are currently meeting with 300 buyers from 73 of Germany's leading companies and public-sector authorities.

West German industry's readiness to support its fledgling counterparts in the East has been shown in the form of some very large pledges. Thirty-three of the country's largest companies have committed themselves to raising their purchases in Eastern Germany to 23 billion DM per year by 1995; in 1991 they totaled 9 billion DM. The goal for BDF as a whole is to more than double the value of its members' orders placed in the East by 1995, from 1992's 24 billion DM to 50 billion DM.

Some prominent companies and agencies have already set a good example. DBP Telekom, the state-owned telecommunication authority, has created more than 45,000 well-paid jobs in the East. In 1992, Telekom purchased goods and services worth 11 billion DM, including 5 billion DM from East German companies.



Equipment manufacturing at Siemens: switched on.

GOING AFTER GERMANY'S BIGGEST MARKET

Germany's federal, state and local governments and authorities are responsible for a quarter of all purchases of goods and services. The public sector is the biggest and, perhaps, the most difficult market in the country.

East German companies have faced two hurdles in the public-sector supply market: a lack of knowledge of what tenders are pending, and how to bid for them.

The sheer number and intricacy of these tenders present a considerable barrier. To overcome it, the Treuhand recently founded a special department for public-sector marketing. It is headed by Klaus von Dohnanyi, one

of Germany's most experienced politicians and the current head of the supervisory board of Takraf AG, the Leipzig-based heavy machinery group.

Mr. von Dohnanyi's goal for East German companies: "Twenty percent of all public-sector orders in both Eastern and Western Germany." His formula for achieving this includes providing a wealth of information for the region's companies and a move toward affirmative action programs for companies located in recession-bound areas in Germany and in the European Community as a whole.

East German executives have displayed an overwhelming interest in

public-sector marketing. Several thousand managers attended the dozen public-marketing seminars held throughout the winter and early spring in Eastern Germany. The numerous Treuhand publications on the subject and encyclopedia-like government tender bulletins have been best-sellers.

Recent breakthrough orders for heavy transport stock and construction contracting have given rise to optimism, an attitude Mr. von Dohnanyi shares. "I foresee a lot happening in this area before the year is over," he says. "There are many good products in Eastern Germany. The only thing they really need is a chance."

FOR FOREIGN INVESTORS, EAST GERMAN COMPANIES OFFER A STABLE OPERATING BASE FOR DOING BUSINESS

As a recent wave of ground-breaking foreign investments shows, Eastern Germany has developed into a large and secure market. It is also an advanced base from which to do business.

An economic comeback of epic dimensions is taking place in a city once consigned to economic limbo. It concerns the computer hardware industry, currently one of the most competitive and cost-conscious in the world.

In pre-unity, pre-open-market days, Sommerda meant computers in East Germany. Most of the country's advanced office-machine technologies, including its quibolically ambitious end expensive information technology program, were created in this small city in south Thuringia by the Robotron Kombinat.

Labeled "a city in crisis" by Der Spiegel magazine only six months ago, Sommerda is about to become "Germany's computer center," according to a recent article in the same magazine. More computers will soon be coming out of Sommerda than from anywhere else in Germany, if all goes according to the plans of Aquarius Systems International GmbH, a Taiwanese-West German partnership, and Tandem Corp. of the United States.

Another allegedly unsalable East German business sector is on the verge of being privatized. As was the case in the comebacks of the chemical and shipbuilding industries, a foreign-led consortium is set to be a main purchaser. This time the business is Eastern Germany's lignite fields, and the investors are PowerGen of Britain and NRG Energy of the United States.

In the past three-and-a-half years, foreign investors have allocated more than 30 billion Deutsche marks (\$18.5 billion) in funds, directly and through West German subsidiaries, to Eastern Germany. During those three-and-a-half years, states Peter Gröndling, head of the investors services department at the Treuhand, "Eastern Germany has become a stable market for investors. In these times of recession, they know that they can bank on more than 100 billion DM being spent on capital and long-term goods for the region this year."

Adds another Treuhand official: "Outside companies have noticed that the orders generated by this massive investment are increasingly going to local companies as a result of various public- and private-sector initiatives."

"Nowhere else in Europe is so much being done on infrastructure and other big ticket projects," confirms a senior executive with a British construction company. "And these aren't the type of activities you can find via a long-distance telephone line," he adds, explaining his company's purchase of five Treuhand companies.

Sommerda has directly benefited from the 250 billion DM that has already been spent on Eastern Germany's buildings, telephone lines, highways, railroad lines and electricity networks.

Just-in-time manufacturing has given the German computer industry and Sommerda a new lease on economic life. Since prices and products are changing rapidly on world computer markets, computers built in Taiwan and North America are becoming overpriced and obsolete by the time

freighters bring them to Europe. Sommerda's facilities and skilled labor are priced to make the assembly of computers profitable, and with its transport links, it can get products to the market in a matter of hours.

The combination of competitive production prices and high-quality infrastructure is hardly the exclusive property of Sommerda. While a popular strategy for foreigners investing in Eastern Germany's high-tech industries, it is also widely employed by such successful East German producers as RTF, the Stassfurt-based television, telephone and antennae producer.

High technology in Eastern Germany means more than just assembly. Electronic components are being produced by domestic entities like FUBA Leiterplattenwerk Dresden and foreign companies like Samsung as well as domestic-foreign partnerships like the one between Synergy Semiconductor of Santa Clara, California and Mikroelektronik- und Technologiegesellschaft mbH of Frankfurt am der Oder.

According to a senior Samsung executive, it was "the unique mix of price and location advantages, a lack of disadvantages" that brought the South Korean electronics giant to East Berlin. The company will invest 143 million DM in converting the former "Werk für Elektronik" in Berlin's Oberschoneweide neighborhood into an ultramodern producer of tubes for color television sets. As K.P. Park, company president, recently commented: "Samsung simply had to take advantage of the strategic opportunities provided by this investment, the company's largest in Europe."

A REGION THAT HAS LONG BEEN HOME TO INTERNATIONAL ARTISTS AND ARTISANS

Many East German musicians, artists, architects and other creative spirits are now household names around the world. Yet they are still fixtures in the historic halls and neighborhoods that nurtured their talents.

Kurt Masur is in New York a good portion of the time, conducting the New York Philharmonic. Andreas Weiser finds it increasingly difficult not to be in Munich, Frankfurt and other points in Western Germany. Gerd-Harry "Judy" Lybke commutes between his permanent galleries in Leipzig and Berlin and his "temporary" one in New York.

On March 11, Leipzig's Gewandhaus orchestra turned 250 and Kurt Masur, the orchestra's artistic director, was on hand to conduct its celebratory concert. In autumn 1993 and spring 1994, he will take the orchestra on lengthy tours of America and Europe.

Several months ago, in a re-enactment of the Leonard Bernstein story, Andreas Weiser, the little-known 29-year-old conductor of the Jena Philharmonic, was asked at

the last minute to replace a famous colleague and to direct a major orchestra. Mr. Weiser's pinch-hitting for Semyon Bychov at the helm of the Bavarian Radio Symphony met with rousing praise. The Süddeutsche Zeitung called him "the prodigious hope of the German orchestra scene." Other ensembles are currently trying to recruit him, but Mr. Weiser plans to stay with his young, highly acclaimed orchestra — at least for the moment.

"Judy" Lybke's Eigen + Art recently became the first Eastern Germany's thousand galleries to open a branch in New York. "There's simply a tremendous interest in East German artists," says Mr. Lybke, whose four-month run in New York comes on the heels of a highly acclaimed exhibition in Paris. Next stop: Prague.

Rising from East German to world renown, Kurt Masur, Andreas Weiser and Judy Lybke are continuing a very long tradition, one that includes such precursors as the tenor Peter Schreier, the opera director Götz Friedrich, the actor Armin Müller-Stahl and the painter Georg Baselitz.

But unlike their prede-

cessors in the reunification era, Messrs. Masur and Co. have been able to remain effilleted with the houses and areas that fostered their talents — an asset of which they have made full use. The cultural tourist, the new staple of the East German travel scene, is also profiting from the chance to see these performers in their native venues — with ticket prices some 50 percent to 80 percent lower than in the West.

An increasing number of these tourists are taking the time to see the region's "big four" cultural areas — greater Berlin and Potsdam, Leipzig, Dresden and the Thuringian triangle (Weimar, Erfurt and Eisenach) — and to explore other sources of this vivid cultural life.

For 300 years, Leipzig's opera orchestra, like other leading ensembles, has performed on instruments made in the Vogtland and Kitzingthal areas of southern Saxony. The 50 companies and hundreds of freelance instrument builders located there have been flourishing since reunification. This year, strong buyer interest from the United States and Western Europe is expected to account for turnover growth of 20 percent in the East German music instrument industry.

The southern Saxons are expected to exceed that figure by a wide mark. Their workshops and factories, located in a landscape of wooded hills and lush, patchwork-like farms, have become regular stops on buying tours undertaken by the world's jazz and classical musicians. A favorite point of congregation: Markt Neukirchen and the Vogtlandische Instrumentenfabrik. A leading customer — and authorized representative for the American market — is the saxophonist Branford Marsalis.

In Suhl, Berndt-Albrecht Köhne represents the continuation of three centuries of master violin-building. This small city is located in

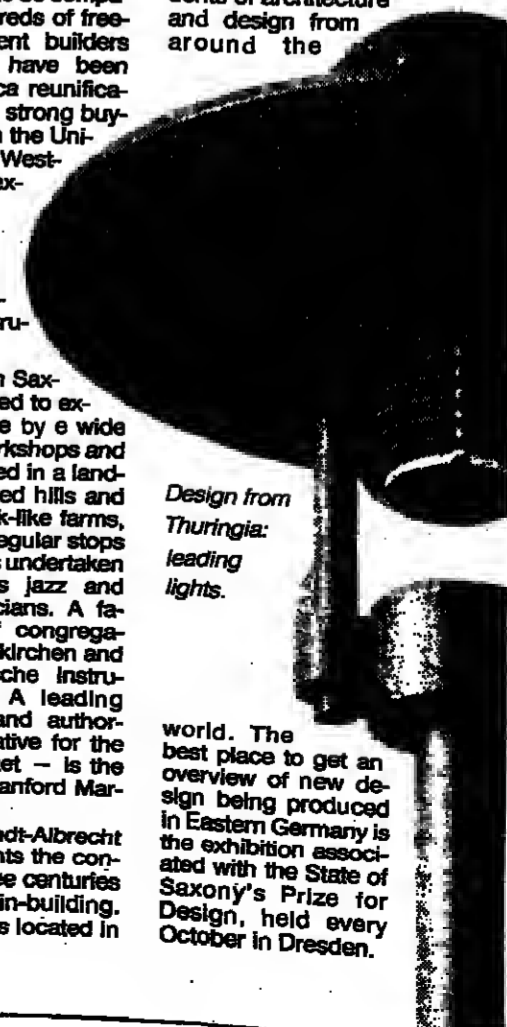
the Thuringian Forest, the source of pine and maple for some of Europe's finest violins and other stringed instruments. Cellos, violas and violins from Stradivarius, Guarneri, Amati and Bernerdel have been brought to Mr. Köhne's workshop for repair.

The Rheinsberg palace was built by a gifted young flutist and composer — Prussia's Frederick the Great — two-and-a-half centuries ago. It is thus not surprising that this lakeside setting in northern Brandenburg is today a center for the Schreier and Masurs of the future. Student orchestras and choirs from the music academies of Berlin, Dresden, Leipzig and Weimar have appeared at Rheinsberg's concerts.

Perhaps Eastern Germany's greatest cultural export is a way of looking at the world. The Bauhaus academy and museum in Dessau, for example, is a site of pilgrimage for students of architecture and design from around the



Another East German product: Kurt Masur.



Design from Thuringia: leading lights.

world. The best place to get an overview of new design being produced in Eastern Germany is the exhibition associated with the State of Saxony's Prize for Design, held every October in Dresden.

Why it pays to invest in Eastern Germany

السوق الاستثمارية

ADVERTISING SECTION

ADVERTISING SECTION



The decision to reunite the two German states was also a decision to create a social market economy in the former German Democratic

- The most important markets are:
- Asia: Britain, France, Switzerland
- Central Europe: USA
- Germany: USA
- Italy: Belgium
- Japan: Great Britain
- Korea: Denmark, France
- Latin America: France
- Middle East: Norway
- North America: Austria
- Scandinavia: Italy

Republic. This required a complete overhaul of the East German economic system. In order to privatize formerly state-owned properties, the Treuhandanstalt was established in Berlin. From the outset, it promoted investment and business orders in eastern Germany, not only by western German firms but also by companies worldwide. Today more than ever, reunification needs the support of Europe and the entire world.

Why it pays to invest in eastern Germany.

Western German businesses are not the only ones to recognize eastern Germany's industrial strength. Other countries also acknowledge that the quality seal "Made in Germany" has taken on a broader

"Venture into the East..."

significance, because of the great potential for innovation shown by eastern German companies, the strong motivation of their employees and their extensive industrial know-how. As a result of close cooperation between the Treuhandanstalt and many dynamic entrepreneurs, modern business and industrial structures are emerging. With the well-trained and forward-looking people of the new German federal states, investors can profit from increased trade within the European Community and future opportunities in eastern Europe.

May 6 and 7: The Saxony Investors' Fair. Former state-owned companies look for new owners.

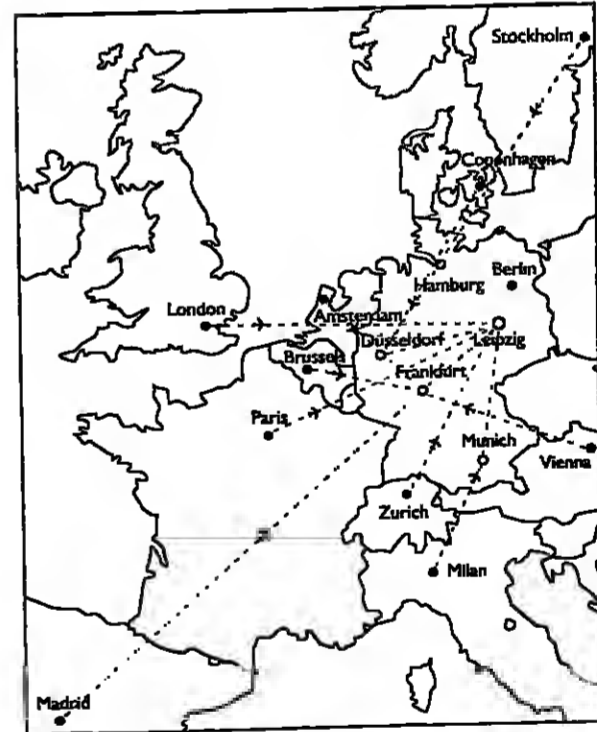
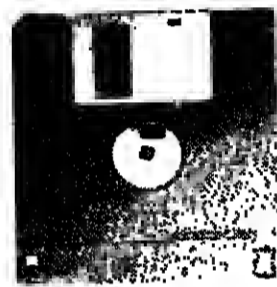
The Treuhand is looking for investors for over 300 medium-sized companies, each with up to 500 employees. The businesses will present themselves at the second Saxony Investors' Fair in Leipzig sponsored by the Treuhandanstalt on May 6 and 7, 1993. At this fair, you can obtain details about the companies, speak with managers and arrange appointments. Treuhand specialists also will be available to advise you on possible

financing packages. No responsible business decision-maker should let this once-in-a-lifetime chance pass by.

Industry catalogues as an aid in decision-making.

Those wanting to invest need reliable material on which to base their decisions. That's why the Treuhand has recently published seven industry catalogues in four languages. Each of the companies

being privatized is described in detail, with color photos of machines, systems, land and buildings. Information about know-how, patents, employees and estimated investment costs are also provided, as well as possible alternative uses for the companies' existing assets. The Treuhand will also be glad to send you a diskette with a summary of relevant facts on all the companies.



... come to Saxony on May 6/7"

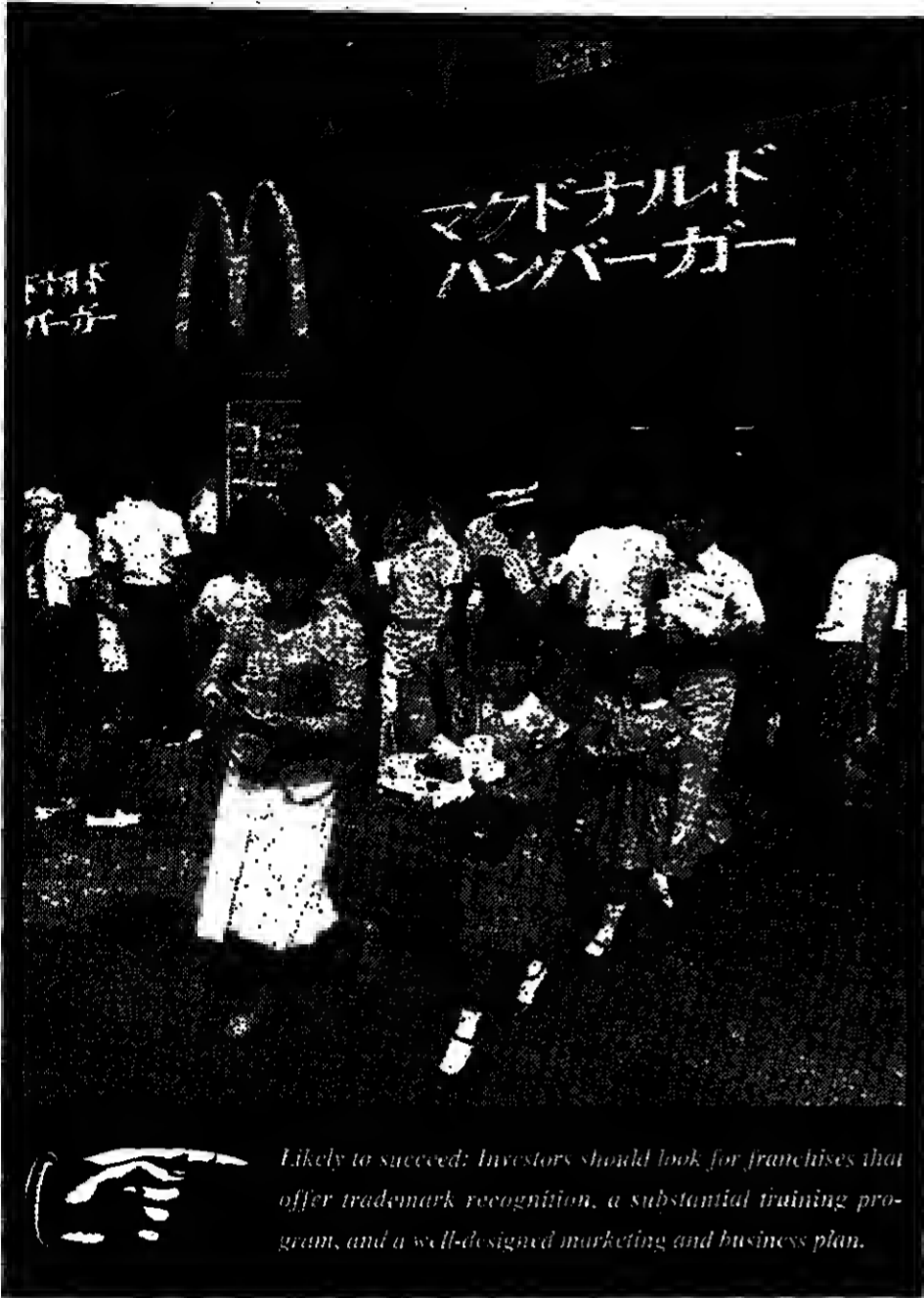
- I am interested in the Saxony Investors' Fair. Please send me a free entrance ticket.
- I am interested in a company being privatized. Please send me the following free industry catalogues:
 - Metalworking industry and equipment construction
 - Mechanical engineering
 - Automobile manufacturing: components and accessories
 - Wood, paper and furniture
 - Building construction and subcontracting trades, interior finishing
 - Textiles, clothing and leather
 - Miscellaneous industries
- Language: German English French Italian
- In addition, please send me a diskette (dBase) with the most important information about the companies in the catalogues.
- I would like to know more about the economic situation in Germany. Please send me more information.

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Contact us now.

 **Treuhandanstalt**

F R A N C H I S I N G



Likely to succeed: Investors should look for franchises that offer trademark recognition, a substantial training program, and a well-designed marketing and business plan.

Beyond Fast Food: Hair, Rugs and Judges-for-Hire

"Franchising was traditionally looked at as a mechanism for convenient foods, restaurants and hotels," says Robert Purvin, chairman of the American Association of Franchisees and Dealers. "Now people recognize that you can franchise virtually anything."

Franchises include far more than fast food. Mr. Purvin cites such service businesses as haircutting, janitorial services and even court systems — including a "rent-a-judge" service. Unusual franchises have an advantage over those offering better-known products or services: They generally face less well-organized competition in their markets.

ExecuTrain, for example, trains people to use computers. Founder David Deutsch found that many companies in new

territories — not only in the United States, but overseas as well — preferred having a training program that they could rely on. Since personal-computer operating systems and software are universal (with the notable exception of Japan), ExecuTrain recently announced plans for European expansion; there are currently ExecuTrain centers in Mexico and Britain.

Since ExecuTrain markets its training services to large and midsized companies, expansion is limited

in the United States to the 95 largest metropolitan areas. France presents 20 such areas; Britain, 24; Spain, 12; Australia, 20; and Mexico, 12. ExecuTrain finds itself facing only local competition, which — given economies of scale in marketing and other expenses — gives it a distinct edge.

Travel agencies are also taking advantage of globalization. Canadian Uniglobe Travel has already expanded in the United States and the British Isles and has entered licensing

agreements for Japan, Benelux and Scandinavia. "We are in one of only two global businesses — travel and communications," says John Henry, Uniglobe's senior vice president for international expansion. International agreements govern airline ticketing, and the competition, mostly corner-store operations, offers no brand identity.

Travel Network, another travel-agency franchise, also expanded recently, to Mexico and Brazil. Travel Network expects to sign license agreements for Argentina, Venezuela, Europe and the Far East. The agency's overseas offices offer another advantage: support to its U.S. clients abroad, a service similar to that offered by American Express offices (the latter are company-owned, not franchised).

Form-You-3 weight-loss centers, on the other hand, are finding opportunity in the differences among various nations — specifically, their food regulations. Because Form-You-3's diet plan revolves around everyday foods — as opposed to the menus of other diet centers built around specialty products (usually produced by the diet center itself) — the plan was adaptable to markets where the introduction of new food products requires approval by government agencies. Form-You-3 actually was

approached by French and Brazilian foreign investors who had read about the company. The French brought the program to doctors and lawyers, who saw no problems with meeting French regulations. Marketing Director Cindy Oster also cited increasing awareness about weight loss in overseas markets such as Europe, Japan and even Latin America.

Another U.S. obsession proving profitable abroad is car detailing. Ziebert TidyCar's 700 locations include 300 in 40 countries outside the United States.

The company is currently experiencing a surge of international growth: Since last May, 14 stores have opened in South Korea, 10 in Taiwan and 10 in Quebec. New master licenses include Mexico and Germany; the first German store opened last month in Stuttgart. Ziebert started by offering only automotive rust protection but now offers other accessories as well. "We have difficulty discussing our franchise with prospects," says Tom Cunningham, vice president for international operations. "We spend a lot of time explaining the concept. As a result, we get sophisticated licensees."

Finally, Rug Doctor Pro, the largest carpet- and fabric-care company in the world, has licensees in over 35 foreign markets, as well as a subsidiary in Britain. Because its competitors are mostly small, home-based rug cleaners, Rug Doctor expects to dominate overseas as much as it has in the United States.

Popular, Profitable Black-Sheep Ventures

Home-based franchises have exploded in popularity recently, due to the large number of working women and the lower investment levels necessary to start a home office — especially since real estate is usually the biggest investment in a franchise.

If you expand the definition of franchising to include independent sellers like Avon, Tupperware and Amway (a definition accepted outside the United States) as well as pool maintenance, maid services and even lawn-mowing, these types of businesses may be the fastest-growing sector of the franchise industry.

Statistics on such businesses, however, are difficult to find, since the International Franchising Association does not recognize them. "The IFA very much looks down on those businesses," says Robert Purvin, chairman of the American Association of Franchisees and Dealers. "They claim a certain potential for scams in that type of business. Home-office businesses are not considered franchises. They're considered 'business opportunities' — the black sheep."

Home Office Computing magazine recently compiled a list of 65 established home-based franchises. Categories included music-video services, real estate, financial services and specialty cleaning ventures.

Many are van-based, such as Respond First-Aid Systems, which provides first-aid training. Training services in general are popular; these range from sales and computers for children to childbirth. Home-based entrepreneurs can choose from an array of related services, such as home day care, birth announcements, maid services, home security and pet care for vacationers. Several businesses rely on home computers, including publishing, business computer services and direct-mail advertising.

International Franchise Expo: Bigger and Better

Thousands of participants from all over the world are expected to attend the International Franchise Exposition, which opens today in Washington, D.C. Now in its second year, the exposition has established itself as the premier meeting place for franchisors and potential franchisees.

This year's International Franchise Exposition will be held on April 23-25 in Washington, D.C. By the most recent estimates, the exposition will have more than 450 exhibitors — nearly 9 percent of all franchise sales in the United States — making it the premier marketplace for franchise transactions. Several master licenses for exclusive franchise opportunities in overseas markets were signed at the exposition as well.

More than 450 exhibitors expected

he International Franchise Expo, producers of the gathering, reported receiving 3,000 telephone calls a day about the show, five times more than he received last year at this time.

One reflection of industry-wide acceptance of the exposition's importance is the attendance by huge brand-name franchises like Burger King, Mail Boxes Etc., Baskin-Robbins and AAMCO Transmission.

"Last year, Coca-Cola and McDonald's took a wait-and-see attitude,"

points out Mr. Helyer. "They're both here this year."

The 1992 exposition resulted in an estimated 1,523 new franchise sales — nearly 9 percent of all franchise sales in the United States — making it the premier marketplace for franchise transactions. Several master licenses for exclusive franchise opportunities in overseas markets were signed at the exposition as well.

Last year, 4,000 people from 71 countries outside the United States attended the exposition — 15 percent of the total.

This year, Mr. Helyer expects many more visitors. To accommodate them, the exposition will include seminars on topics of interest, such as "Taking the U.S. Franchise Abroad," "Europe: the \$360 Million Profit Opportunity," and even a daily seminar on the advantages to foreign nationals of investing in a franchise (one advantage: such investment is a way for them

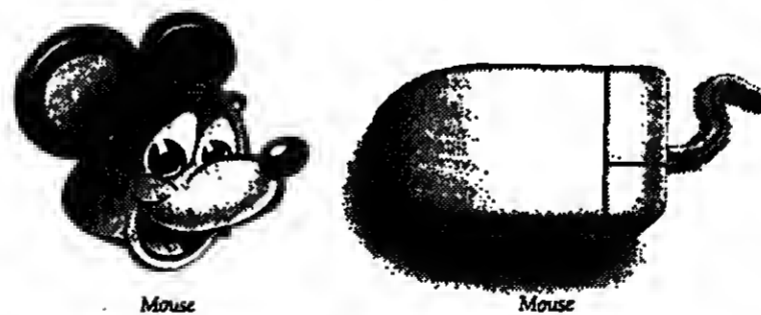
to become naturalized U.S. citizens).

All participants can attend other daily seminars that address fundamental questions about buying and operating a successful franchise. A complimentary catalogue, new this year, offers details on the seminars and lists exhibitors by type of franchise and expense of investment involved.

EXPANDING TO CALIFORNIA OR HONOLULU?
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*Franchise 500, Entrepreneur, January 1993
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President & CEO
CIRO
6340 NW 5TH Way
Ft. Lauderdale, FL 33309
Tel.: 305 772 6475
Fax: 305 772 62 92

April 23, 1993

NYSE

Thursday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press


Symbol	Price	Change
IBM	123.45	+0.20
MSFT	67.89	-0.10
ORCL	45.67	+0.15
INTL	34.56	+0.05
DISC	23.45	-0.05
WALT	12.34	+0.02
AMZN	56.78	+0.30
GOOG	89.01	+0.12
APPL	34.56	-0.08
MSFT	67.89	-0.10
ORCL	45.67	+0.15
INTL	34.56	+0.05
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TRIB INDEX

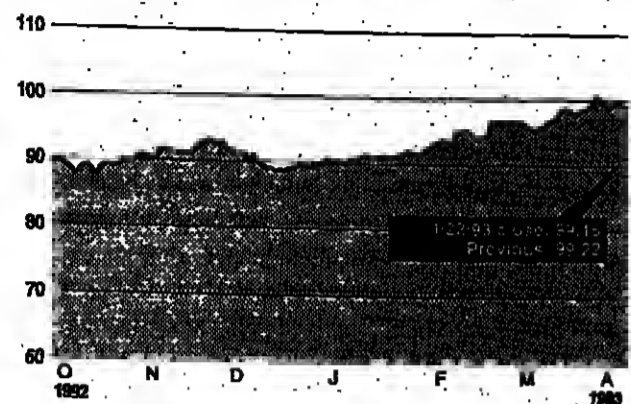
ng Ahead

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THE TRIB INDEX: 99.15

International Herald Tribune World Stock Index of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

Table with 3 columns: Region, Current Value, Previous Value. Asia/Pacific: 107.39 (Prev: 107.39). Europe: 98.65 (Prev: 97.87). N. America: 92.29 (Prev: 93.38).

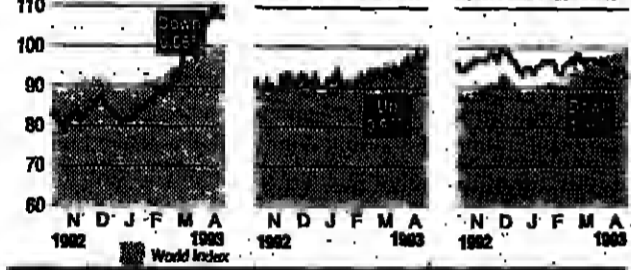


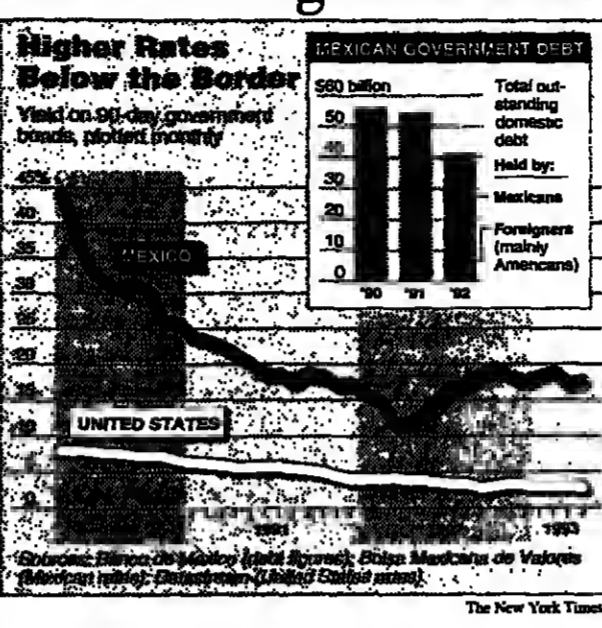
Table of Industrial Sectors with columns for Sector, Current Value, Previous Value, and % Change. Sectors include Energy, Utilities, Finance, Services, Capital Goods, Consumer Goods, and Miscellaneous.

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to: Trib Index, 161 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

Mexican Treasuries Draw U.S. Cash

High Rates, Low Risk Bring In Funds for Industry

By Louis Uchitelle
New York Times Service
NEW YORK — Lured by eye-catching interest rates of 16 percent or more, American money managers and a few risk-taking individuals are investing billions of dollars in Mexican Treasury securities and thus helping to finance Mexico's move to an industrial economy.



There is no other country in the world where I can buy government securities that yield so much and are safe," said Robert Beckwith, manager of various mutual funds at Fidelity with big holdings in Mexican government securities.

to the \$9 billion in Treasury holdings, foreigners hold about \$20 billion in Mexican bank certificates of deposits, which earn as much as 22 percent annually. The booming investment in Mexican securities reflects the American quest for interest rates higher than in the United States.

From the Bundesbank, a Costly Miscue

By Barry James
International Herald Tribune
An incorrect news report that the Bundesbank would not alter its interest rates apparently caused big losses on foreign-exchange markets Thursday, when it was announced a minute or so later that rates in fact were coming down.

"It was only about a minute between the two reports, but that was enough for everything to go completely one way," said Katherine Hodge, a dealer at American Express Bank in London.

not surprised. They had not been expecting a change, and they set into motion computer programs that moved funds automatically on the assumption that German rates would remain unaltered.

to 1.615 DM once it became clear interest rates had been trimmed. (Page 18)

Thinking Ahead

Two Pointless Embargoes

By Reginald Dale
International Herald Tribune
WASHINGTON — Hopes that President Bill Clinton would soon lift the 18-year-old U.S. economic embargo against Vietnam have been put on ice by a new controversy over whether Hanoi lied about the fate of American prisoners after the end of the Vietnam War.

But recently the political currents in Washington have been moving in opposite directions. Short-sightedly, during last year's presidential election campaign, the Cuba embargo was actually strengthened by the addition of a ban on U.S. companies' foreign subsidiaries doing business with Cuba.

EC Plans More Talks With U.S.

Compiled by Our Staff From Dispatches
BRUSSELS — The European Community and the United States will resume talks on opening the EC telecommunications business to American companies, an EC official said Thursday.

US - EC trade negotiations

Sunday's Russian referendum
Recession in Europe
Japan's soaring yen
White House - Senate confrontation
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CURRENCY & INTEREST RATES

Table of Currency & Interest Rates. Columns include Country/Currency, Exchange Rate, and Interest Rates for various currencies like Dollar, D-Mark, Swiss Franc, etc.

Subscription Rates & Savings off IHT newsstand prices

Table of Subscription Rates & Savings. Columns include Country/Currency, 12 months price, 6 months price, 3 months price, and savings percentage.

Attali to Lose Some Control of EBRD Purse

By Erik Ipsen
International Herald Tribune
LONDON — A pentitent but still proud Jacques Attali presented an upbeat review of the first full year in the life of the European Bank for Reconstruction and Development on Thursday, but said he had learned from a week of intense criticism of the bank and its lavish spending and had given it all "serious thought."

A longtime aide will lose the title of planning and budget director.

He denied, however, that he was planning to resign. In the performance of a lifetime, the EBRD's president strode slowly into the packed auditorium at the bank's new headquarters and with his back to the large naked stage, perched himself on its edge in dead center. Smiling broadly and with arms crossed across his chest he peered out through the thicket of cameras and deadpanned, "I am delighted that so many of you are interested in the annual report."

Herald Tribune logo and contact information. Includes address: 161 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Phone: 33.1.46 37 06 51 - Fax: 33.1.46 37 93 61.

MARKET DIARY

Consumer Issues Lead Stocks Lower

NEW YORK — Stock prices closed lower Thursday on the New York Stock Exchange as weakness in drug and consumer-product stocks offset optimism about lower European interest rates. They're selling growth and consumer stocks' on concern about...

N.Y. Stocks earnings, said Richard Cardullo, director of institutional trading at Eagle Asset Management. The Dow Jones industrial average, which had climbed as high as 3,470 points in the afternoon, closed at 3,429.17, down 10.27.

Rumors of Intervention Push Dollar to Loss

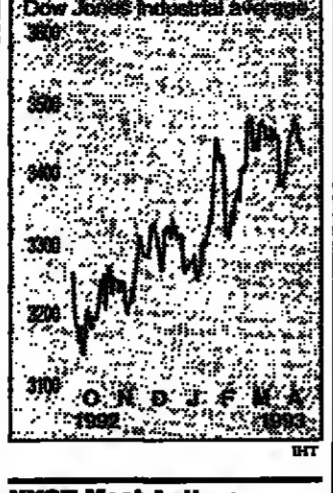
NEW YORK — Despite an early assist from the Bundesbank, which surprised markets with a German rate cut, the dollar fell Thursday on rumors the German central bank was selling it. The dollar fell to 1.5965 DM on Wednesday, after trading as high as 1.6135, and it dropped to 109.900 yen from 110.625 yen.

Foreign Exchange Wednesday, after trading as high as 1.6135, and it dropped to 109.900 yen from 110.625 yen. Traders said rumors that the Bundesbank was selling dollars combined with the U.S. currency's failure to break the 1.62 DM level to spur selling.

World Stock Markets

Table of world stock markets including Amsterdams, Brussels, Frankfurt, London, Madrid, Milan, Stockholm, Toronto, Zurich, and others. Columns include Stock Name, Price, Change, and Volume.

The Dow



Daily closing of the Dow Jones Industrial Average

Dow Jones Averages

Table of Dow Jones Averages including Industrial, Utility, and Composite indices with high, low, and close prices.

Standard & Poor's Indexes

Table of Standard & Poor's Indexes including Industrial, Utility, and Composite indices.

NYSE Indexes

Table of NYSE Indexes including Composite, Industrial, and Utility indices.

NASDAQ Indexes

Table of NASDAQ Indexes including Composite, Industrial, and Utility indices.

NYSE Most Actives

Table of NYSE Most Actives showing top trading volumes for various stocks.

NASDAQ Most Actives

Table of NASDAQ Most Actives showing top trading volumes for various stocks.

AMEX Stock Index

Table of AMEX Stock Index with high, low, and close prices.

Dow Jones Bond Averages

Table of Dow Jones Bond Averages including 30 Bonds, 10 Industrials, and 10 Utilities.

Market Sales

Table of Market Sales showing volume for NYSE, AMEX, and NASDAQ.

N.Y.S.E. Odd-Lot Trading

Table of N.Y.S.E. Odd-Lot Trading for various stocks.

S&P 100 Index Options

Table of S&P 100 Index Options with call and put prices.

EUROPEAN FUTURES

Table of European Futures including Food, Industrial, and Financial contracts.

Stock Indexes

Table of Stock Indexes including FTSE 100, Nikkei, and others.

Dividends

Table of Dividends for various companies.

U.S. FUTURES

Table of U.S. Futures including Grains, Oil, and Metals contracts.

Metals

Table of Metals futures including Copper, Aluminum, and Zinc.

Livestock

Table of Livestock futures including Cattle and Hogs.

Financial

Table of Financial futures including Treasury Bonds and Bills.

Food

Table of Food futures including Coffee, Sugar, and Cocoa.

U.S. / AT THE CLOSE

U.S. Finds Dumping of Korean Chips

WASHINGTON (Combined Dispatches) — The International Trade Commission ruled Thursday that dynamic random-access memory chips from South Korea were sold in the United States at less than their fair market value and had injured American businesses.

BankAmerica Cites Weak Economy

SAN FRANCISCO (Bloomberg) — BankAmerica Corp. said Thursday that net income rose to \$484 million in the first quarter, reflecting the completion of its merger with Security Pacific, but said economic weakness in California and other key markets remained "a source of concern."

MCI Net Rose 7% in 'Great' Quarter

WASHINGTON (Associated Press) — MCI Communications Corp. said Thursday its first-quarter net income had risen 7 percent after a charge to repay debt and reduce future borrowing costs.

Salomon Swung to Loss in First Period

NEW YORK (AP) — Salomon Inc. said Thursday it had a loss of \$102 million in the first quarter, largely because of poor results in the company's securities operations.

Texaco Rebounds to Profitability

WHITE PLAINS, New York (AP) — Texaco, the fourth-largest American oil company, said Thursday it had a first-quarter profit of \$278 million, or 97 cents a share, reversing a loss of \$68 million in the 1992 quarter that was due to accounting changes.

For the Record

First-time claims for jobless benefits in the United States jumped by 26,000 in mid-April, to 359,000, the Labor Department said. Lockheed Corp.'s first-quarter profit from operations rose 15 percent because of improved aeronautics-systems group results.

Blow to Canadian Airlines

OTTAWA — The future of Canadian Airlines International was thrown into doubt Thursday when the Canadian Competition Tribunal refused to allow it to withdraw from a computer-reservations system jointly owned with Air Canada.

Earnings Report

After Weak Quarter

BankAmerica

MCI

Salomon

Texaco

For the Record

Blow to Canadian Airlines

U.S. Futures

Metals

Livestock

Financial

Food

Stock Indexes

Commodity Indexes

U.S. Treasury

European Futures

Dow Jones

Market Sales

IMEX

Earnings Reflect Weak Car Market After Weak Quarter, Mercedes Braces for Hard Year

STUTTGART — Mercedes-Benz had a plunge in first-quarter car sales, the automaker said Thursday, and it does not foresee its profit rising before the end of the year. Werner Niefer, chairman of Mercedes-Benz AG, said 1993 would be harder than last year for the car industry. "This year we will not yet overcome the dry spell in deliveries and earnings due to continued difficult market conditions."

Mercedes also said its group pretax profit last year fell 39.4 percent, to 2.60 billion DM. But the carmaker offered a few rays of hope. "With cars we have seen a slight boost in German orders since the beginning of the year," Mr. Niefer said. "And we expect a further boost, once we launch our new C-class into the market in May. Also, March data from Japan show the first order plan for over a year."

The C-class cars are targeted at the low end of the luxury market, which has been dominated by Japanese companies in recent years. Meanwhile, sales at foreign production divisions for commercial vehicles — mainly in the United States and Brazil — had sales increases of about 9 percent.

Peugeot Profit Slides, but It Holds Its Market Share

PARIS — PSA Peugeot Citroën SA reported Thursday a sharp profit fall for 1992, but its results were at the high end of expectations and the carmaker maintained its share of the declining European car market.

Peugeot increased its European market share to 12.2 percent in 1992, from 12.1 percent the previous year, largely because of the success of the small Citroën ZX and Peugeot 106 models as well as the larger Peugeot 405.

The European Community and Japan raising limits of 1993 Japanese car sales in some EC countries would not be enacted. "It's dead, I'm certain of it," he said. "I've made enough phone calls in the last eight days to know."

London Exchange to Concentrate on Core Activity

LONDON — The London Stock Exchange, under fire after expensive attempts to expand its role, said Thursday it would now concentrate on its core function as a stock market and a system for companies to raise money.

The exchange said it was working urgently to find a technical solution to upgrade its aging market system but otherwise made no other operational decision.

The chairman of the exchange, Sir Andrew Hugh Smith, is acting chief executive at present. The Taurus fiasco was seen as a blow to London as a financial center and highlighted criticism of other aspects of the London stock exchange, including its role as vendor of the Topic information system and its market method, which is based on price quotation, rather than an order-driven system.

Sweden to Tighten Belts Further With New Spending Cuts

STOCKHOLM — Sweden's center-right government announced Thursday wide-ranging cuts in public expenditure aimed at trimming 81 billion kronor (\$10.9 billion) off the country's budget deficit over the next five years.

Finance Minister Arne Wibbe said at a news conference that "everyone will feel the effects of this program. It is inevitable."

The remaining 5 billion kronor would be gained by increasing the contributions made by individuals toward state retirement pensions. The measures, in addition to cuts of 80 billion kronor made since the government of Prime Minister Carl Bildt took office in November 1991, will mean more expensive medical and dental care, with less government compensation for maternity and paternity leave.

Investor's Europe

Table with columns for various European stock indices (Frankfurt, London, Amsterdam, etc.) and their performance metrics.

Very briefly:

- GPA Group PLC, the aircraft-leasing company that is trying to restructure \$3.5 billion in debt, said it was still trying to raise fresh capital, but added that it intended to execute a bank-rescheduling agreement before a capital offering is completed.

AMEX

Thursday's Closing Tables include the nationwide price up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table of AMEX stock market data including various stock prices and indices.

Table of stock market data for various European markets.

Table of stock market data for various European markets.

SURPRISE: Bundesbank Miscostly for Traders

(Continued from first finance page) bank said that in a case like this, dealers usually acted on the first information they received. "You believe what you see. You have no reason not to, especially when you have been waiting for half an hour for it to come out."

Another spokesman for the bank, Manfred Körber, told Bloomberg Business News: "We are not aware that we made any mistakes. I might concede, however, that the procedure of releasing press releases at such press conferences could be improved."

Some journalists said the middle showed that the Bundesbank was out of touch and inept.

Advertisement for Mees Pierson, a merger of Pierson, Holding & Pierson N.V. and Bank Mees & Hope N.V. The ad features the company name in large letters and lists various international offices.

NYSE Thursday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

Table with columns: NYSE High/Low, Div, Yld, PE, etc. for various stocks.

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INTERNATIONAL FUNDS

Quotations supplied by funds listed. Not asset value quotations are supplied by the funds listed with the exception of those based on lesser prices.

The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (r) - regularly; (t) - twice weekly; (m) - monthly.

Table listing various international funds with columns for fund name, share price, and other details.

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SPORTS TENNIS

The New Star at 18: Lonely Near the Top

By Ian Thomsen
MONTRE CARLO — The young Ukrainian, legs crossed, holding the microphone of a tape recorder out like a cigarette, asked: "How old are you?"

"I do love what I do. But also it is not easy."

Andre Medvedev broadly, "and my shoulder was tired. I had to stretch it. But the good thing was that, how do you say, your wallet was obviously empty and it wasn't that heavy anymore, so that was good."

It isn't quite like getting drunk... "I don't want to be with anybody else and I couldn't find anybody," said Medvedev, in between jokes.

He is the 11th-best tennis player in the world, winner of his last two tournaments, at Barcelona and Estoril, Portugal. Last year he won another three, when he was ranked No. 226.

He is becoming everything he ever wanted to be, but still, how does he make this life become the life he desires? He is finding now that people are over attending his practices. He trains at 8 A.M. and still has to come to see him.

He can proceed only by himself. He keeps an apartment near Stuttgart. He has returned home to Kiev once this year. He feels sick there.

"The illness doesn't come from anything else — it comes from Chernobyl," he said, reflecting to



Clay court specialist Sergi Bruguera of Spain was in full swing Thursday, routing fifth seeded Ivan Lendl, 6-1, 6-2, to gain the quarterfinals in Monte Carlo. Unseeded Cedric Pioline, the last Frenchman in the tournament, defeated No. 3 Petr Korke, 6-3, 6-0.

U.S., Russia Win Easily In Germany

Compiled by Our Staff From Dispatches
DORTMUND, Germany — The United States, forging a team from college players and late NHL arrivals, beat France, 6-1, on Thursday to move within reach of the quarterfinals of the World Ice Hockey Championship.

Defenseman Adam Burt of the Hartford Whalers and wing Rob Gaudreau of the San Jose Sharks each got two goals as their team improved to four points from three games in the Pool B standings, behind the Czech Republic with five and tied with Germany. Finland has three.

Antoine Richer put France on the scoreboard first, five minutes into the match, but Burt tied the score in the ninth minute and a U.S. victory was assured in a 14-second blitz late in the first session, when Gaudreau and Jeffrey Lazarou struck.

Russia 6, Switzerland 0: In Munich, the Swiss, who finished fourth in last year's tournament, seemed doomed to the relegation playoffs after losing a third game in Pool A.

Sweden 6, Italy 2: Ulf Dahlén of the Minnesota North Stars scored twice for two-time defending champion Sweden after arriving in Germany less than seven hours before faceoff because of a snowstorm in Chicago.

Michael Nylander, an NHL player from the Hartford Whalers, had one goal and two assists for the Swedes.

Blues, Behind One Happy Goalie, Stun Blackhawks With 2-0 Lead

Compiled by Our Staff From Dispatches
Curtis Joseph, the goaltender for the St. Louis Blues, is no stranger to being peppered. He faced 2,202 shots in the regular season, more than any goaltender since the National Hockey League began keeping that statistic in 1982-83.

Except that the Blues, who finished a distant fourth, 21 points behind Norris Division leader Chicago, are up 2-0 in the playoffs following Wednesday night's 2-0 victory over the Blackhawks.

Leading the way was Joseph, with one of his best clutch performances of the season. He turned aside 16 shots in the first period, 19 in the second and 12 in the third as his team was outshot, 47-17. The Blackhawks' 47 shots fell just two shy of matching their all-time playoff record, set in 1967.

Defenseman Trent Yawney, who scored one goal in 84 regular-season games, got his second of the playoffs as the Flames erased a 1-0 first-period deficit with five second-period goals. That set a franchise record for goals in one playoff period.

Gary Roberts, who missed 24 games with a potential career-ending thigh injury, had three assists for the Flames.

Stanley Cup
The puck squirted to the unchecked Bure in front of the net and the 60-goal scorer neatly went to his backhand to beat goaltender Bob Essensa.

Winning had tied at 2 just 30 seconds into the third when Teppo Numminen blasted an uncontested 40-foot shot past Kirk McLain during a 4-on-3 power play.

SIDELINES

Binaghi and Sherborne Lead in Golf
BARCELONA (UPI) — Alberto Binaghi of Italy and Andrew Sherborne of England shot 67 Thursday to share the first round lead in the Catalan Open golf tournament.

Sherborne, winner of the 1991 Madrid Open and the 1992 Spanish Open, three-putted the 17th hole.

For the Record
Peyton Sasser, the Washington State football player whose hand was blown off by a pipe bomb and killed a teammate, told police they made the bomb out of curiosity and intended to set it off in an empty field.

Herald Tribune Living in the U.S. Now Printed in New York For Same Day Delivery in Key Cities. 1-800-882-2884

INTERNATIONAL CLASSIFIED

Today's HOLIDAYS & TRAVEL SECTION. Appears on Page 12

ANNOUNCEMENTS: THE FIRST HUNDRED DAYS OF THE CLINTON ADMINISTRATION. TUESDAY MAY 4, 1993

ANNOUNCEMENTS: REAL ESTATE IN & AROUND PARIS. SPECIAL HEADING: MAY 14th, 1993

ANNOUNCEMENTS: THE AMERICAN UNIVERSITY OF PARIS. SUMMER COURSES IN PARIS

ANNOUNCEMENTS: THE AMERICAN UNIVERSITY OF PARIS. INT'L MARKETING CERTIFICATE

BUSINESS OPPORTUNITIES: OFFSHORE COMPANIES. AVAILABLE CAPITAL

TODAY'S REAL ESTATE MARKETPLACE. Appears on Page 8

SAVE ON International Phone Calls

THE AMERICAN UNIVERSITY OF PARIS. BUSINESS TRAVEL

THE AMERICAN UNIVERSITY OF PARIS. FINANCIAL SERVICES

ESORTS & GUIDES: BELLE EPOCH ESCORT SERVICE, MERCEDES MAJOR CREDIT CARDS ACCEPTED, ARISTOCATS

ESORTS & GUIDES: GENEVA & PARIS, FRANKFURT, SUSA ESCORT SERVICE, AMSTERDAM BARRAQUETTE

ESORTS & GUIDES: INTERDEAN INTERNATIONAL TRAVEL AGENCY, MOVING AGS, BEAUTY SERVICES

EMPLOYMENT: EXECUTIVE POSITIONS AVAILABLE, NEEDED IMMEDIATELY

NEEDED IMMEDIATELY: CORPORATE FINANCE EXECUTIVE, KALLBACK DIRECT

NEEDED IMMEDIATELY: CORPORATE FINANCE EXECUTIVE, BUSINESS TRAVEL

NEEDED IMMEDIATELY: CHAUFFEUR SERVICES, LEGAL SERVICES

OBSERVER

A Girl Named Sam

By Russell Baker
NEW YORK—A bunch of the guys and an equal number of women were sitting around the Blackbird Saloon sipping white-wine spritzers...

Jane Jacobs and a Tale of Two Cities

By Charles Trueheart
Washington Post Service

TORONTO—The city Jane Jacobs has called home for 25 years was lucky enough to have escaped the very best intentions of those who sought, by their lights, to improve it...



Author Jacobs: These days, her heart belongs to Toronto.

architect Robert H. Jacobs. He was here as a conventioneer, and was so taken by what he could see from his midtown hotel room...

Canada is an ethnic mosaic, as distinct from the melting pot south of the border. She recalls the official instruction she received when she was applying for Canadian citizenship...

PEOPLE

Another Woman Calls
Marla a Home Wrecker

Ivana Trump isn't the only one who's steamed at Marla Maples. Lyne Jones, the wife of Marla's ex-publicist, lashed out at Donald Trump's girlfriend after Chuck Jones appeared in court...

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WEATHER
Forecast for Saturday through Monday. Includes maps for Europe, Asia, North America, Middle East, and Latin America with temperature and precipitation forecasts.

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JUDGE ON TRIAL
By Ivan Klima. Translated from the Czech by A. G. Brain. 349 pages. \$25. Knopf.
Reviewed by Dennis Drabell
QUESTIONS of loyalty have long preoccupied Czech novelist Ivan Klima. His newly translated novel, "Judge on Trial," weaves them into a complex pattern that sums up nearly all his work...

BOOKS
WHAT THEY'RE READING
Laszlo Birinyi, Hungarian-born Wall Street analyst, is reading William Lanouette's "Genius in the Shadows," a biography of the physicist Leo Szilard.
"Laszlo Birinyi, Hungarian-born Wall Street analyst, is reading William Lanouette's 'Genius in the Shadows,' a biography of the physicist Leo Szilard. 'What really interests me is how many brilliant people a small country like Hungary produced. One explanation is the language. It has a highly logical grammar and makes you think in a certain way.' (Lawrence Malkin, IHT).

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